



For Your Benefit

A guide to our 2019 associate benefits package

Independence 
Family of Companies

Our associate benefits

We are pleased to offer our associates a complete benefits package that includes medical, dental, prescription, and vision coverage, paid time off, a retirement savings plan, tuition reimbursement, and more. Read this booklet for an overview of the benefits available to associates of the Independence Family of Companies (Independence).

Get health coverage that meets your needs

We provide coverage for all of our 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 the first of the month following or coinciding with the date of hire.

Most of the cost for medical and dental insurance for our full-time associates and part-time associates is paid for by the company.

A maximum fixed dollar amount, called a defined contribution, for each associate's coverage is allocated. As an associate, you decide how to spend it toward the medical and dental plans of your choice.

Annual health care contribution allowance maximum – Full-time associates

Tier	Medical defined contribution allowance	Dental defined contribution allowance	Total annual defined contribution allowance*
Associate only	\$6,035.00	\$255.00	\$6,290.00
Associate and spouse	\$13,639.10	\$420.75	\$14,059.85
Associate and child	\$9,052.50	\$471.75	\$9,524.25
Associate and children	\$13,639.10	\$471.75	\$14,110.85
Associate and family	\$17,099.16	\$624.75	\$17,723.91

Annual health care contribution allowance maximum – Part-time associates

Tier	Medical defined contribution allowance	Dental defined contribution allowance	Total annual defined contribution allowance*
Associate only	\$6,035.00	\$255.00	\$6,290.00
Associate and spouse	\$9,837.05	\$337.88	\$10,174.93
Associate and child	\$7,543.75	\$363.38	\$7,907.13
Associate and children	\$9,837.05	\$363.38	\$10,200.43
Associate and family	\$11,567.08	\$439.88	\$12,006.96

*What the company pays

Later in the brochure you will see how these allowances apply to each benefit plan.



Save money with high deductible health plans

High deductible health plans paired with a health savings account help you control out-of-pocket costs. You pay lower premiums, and you can use the pre-tax dollars in your savings account to pay for qualified health expenses.

Medical plans

Each of the plans offers you and your family comprehensive benefits, including doctor visits, inpatient hospital care, emergency services, and vision and prescription drug coverage.

High Deductible Health Plan and Health Savings Account (HDHP+HSA)

The High Deductible Health Plan (HDHP) option may be a good fit for associates looking to spend the minimum amount on health care premiums. The plan combines a high deductible preferred provider organization (PPO) medical plan with a Health Savings Account (HSA) for you and your dependents.

This plan allows you to direct pre-tax dollars to a self-funded HSA that you can use for your out-of-pocket medical expenses. In order to participate in the HSA, you must be under 65 years old, not enrolled in Medicare, and enrolled in the HDHP.

Because the HDHP plan is a Personal Choice product (PPO), it gives you greater freedom of choice in choosing your doctors and hospitals.

Under the HDHP+HSA plan you:

- Have a \$3,000 in-network individual and \$6,000 in-network family deductible¹
- Will be responsible for 10 percent coinsurance on most covered expenses up to the out-of-pocket maximum
- Have a \$6,750 individual and \$13,500 family out-of-pocket maximum for the year, which includes deductibles, copays, and coinsurance²
- Have access to our extensive Personal Choice[®] network of providers

Health Savings Account

Contributions can be made to your HSA on a pre-tax basis, with an annual minimum contribution of \$260 and a maximum contribution of \$3,500 for self-only coverage or \$7,000 for family coverage.

¹ Individual OOP maximum amounts apply for self-only coverage. For family coverage (an individual enrolled with one or more dependents), in-network benefits are subject to the family deductible amount which can be met by any combination of family members. Benefits are then covered at the indicated percentage for that service until the total maximum OOP amount is met.

In-network OOP maximum accumulation, the family OOP amount can be met by any combination of family members. However no family member will be subject to more than the individual amount within a family OOP maximum amount shown.

² In-network, out-of-pocket maximum includes deductible, copays, and coinsurance. Out-of-network, out-of-pocket maximum includes deductible and coinsurance.

HDHP + HSA – Full-time associates

Cost-sharing	Annual full premium	Defined contribution allowance*	Annual associate cost	Associate cost per pay
Associate only	\$5,357.40	\$5,357.40	\$0.00	\$0.00
Associate and spouse	\$12,841.96	\$12,321.96	\$520.00	\$20.00
Associate and child	\$8,127.12	\$8,127.12	\$0.00	\$0.00
Associate and children	\$12,321.96	\$12,321.96	\$0.00	\$0.00
Associate and family	\$16,238.08	\$15,718.08	\$520.00	\$20.00

HDHP + HSA – Part-time associates

Cost-sharing	Annual full premium	Defined contribution allowance*	Annual associate cost	Associate cost per pay
Associate only	\$5,357.40	\$5,357.40	\$0.00	\$0.00
Associate and spouse	\$12,841.96	\$12,321.96	\$520.00	\$20.00
Associate and child	\$8,127.12	\$8,127.12	\$0.00	\$0.00
Associate and children	\$12,321.96	\$12,321.96	\$0.00	\$0.00
Associate and family	\$16,238.08	\$15,718.08	\$520.00	\$20.00

*What the company pays

Benefits

Physician visits (after deductible)	Coinsurance (associate pays)
Primary care	10% after deductible
Specialist	10% after deductible
Emergency room/Urgent care	ER 10% after deductible/UC \$0 after deductible
Inpatient hospital services	10% after deductible
Prescription drug coverage	Generic (formulary) \$10 after deductible Brand name (formulary) \$40 after deductible Non-formulary \$70 after deductible
Vision coverage	Routine eye exams and corrective lenses once every two calendar years — \$0 copay
In-network deductible	\$3,000 individual/\$6,000 family
In-network out-of-pocket maximum	\$6,750 individual//\$13,500 family
HSA associate annual funding maximum	\$3,500 individual/\$7,000 family

Personal Choice (PPO)

With a PPO plan, you have the freedom to receive care from any provider, either in or out of network, without a referral. The PPO plan gives you the flexibility to choose your own providers. You may receive care from any provider who is within the network of preferred providers or out-of-network, non-preferred providers. You do not have to choose a primary care physician (PCP), and you never need a referral. Be aware that if you choose an out-of-network provider, you will pay more for eligible medical services and you will have to submit a claim form for reimbursement for the portion of the cost that the plan will cover.

For more detailed information refer to the medical plan comparison chart located on the Options 2019 Iway site.

Details of this plan include:

- Do not need to enroll with a primary care physician
- No referrals required for specialty care needs

If you seek services from an in-network provider you will not pay more than the outlined copays for eligible medical services. A wide network of participating in-network providers and hospitals in Pennsylvania, New Jersey, and Delaware makes it convenient and easy to use.

Personal Choice PPO – Full-time associates

Cost-sharing	Annual full premium	Defined contribution allowance*	Annual associate cost	Associate cost per pay
Associate only	\$8,052.84	\$6,035.00	\$2,017.84	\$77.61
Associate and spouse	\$19,041.62	\$13,639.10	\$5,402.54	\$207.79
Associate and child	\$12,216.12	\$9,052.50	\$3,163.62	\$121.68
Associate and children	\$18,521.64	\$13,639.10	\$4,882.54	\$187.79
Associate and family	\$24,146.32	\$17,099.16	\$7,047.16	\$271.04

Personal Choice PPO – Part-time associates

Cost-sharing	Annual full premium	Defined contribution allowance*	Annual associate cost	Associate cost per pay
Associate only	\$8,052.84	\$6,035.00	\$2,017.94	\$77.61
Associate and spouse	\$19,041.64	\$9,837.05	\$9,204.59	\$354.02
Associate and child	\$12,216.12	\$7,543.75	\$4,672.37	\$179.71
Associate and children	\$18,521.64	\$9,837.05	\$8,684.59	\$334.02
Associate and family	\$24,146.32	\$11,567.08	\$12,579.24	\$483.82

*What the company pays

Benefits

Physician visits	Copay (associate pays)
Primary care	\$25
Specialist	\$50
Emergency room/Urgent care	ER \$150/UC \$50
Inpatient hospital services	\$500 per day/\$1,500 maximum per admission
Prescription drug coverage	Generic (formulary) \$10 Brand name (formulary) \$40 Non-formulary \$70
Vision coverage	Routine eye exams and corrective lenses once every two calendar years — \$0 copay

Keystone Health Plan East (KHPE HMO)

With an HMO plan, you choose a primary care physician (PCP) to coordinate your care through in-network providers.

The HMO plan allows you to access a complete range of medical benefits through a network of doctors and hospitals (preferred providers). For more detailed information refer to the medical plan comparison chart located on the Options 2019 Iway site.

Details of this plan include:

- One doctor, a primary care physician (PCP), coordinates your overall medical care needs
- Referrals must be obtained from your PCP for all specialty care needs
- No deductible

A wide network of participating physicians and hospitals in Pennsylvania, New Jersey, and Delaware makes it convenient and easy to use.

To comply with Blue Cross and Blue Shield Association regulations, Keystone Health Plan East cannot market its product to associates who live outside of the service counties which are contiguous or border the licensed counties in which Keystone Health Plan East operates. Therefore, for those associates who work in New Jersey or live in a non-contiguous county, benefits are provided under AmeriHealth HMO PA. The benefit details are the same as those for the Keystone Health Plan East products. However, the Guest Advantage program is not available for services outside of the service area under the AmeriHealth HMO PA plan.

KHPE HMO – Full-time associates

Cost-sharing	Annual full premium	Defined contribution allowance*	Annual associate cost	Associate cost per pay
Associate only	\$7,736.76	\$6,035.00	\$1,701.76	\$65.45
Associate and spouse	\$18,314.56	\$13,639.10	\$4,675.46	\$179.83
Associate and child	\$11,736.60	\$9,052.50	\$2,684.10	\$103.23
Associate and children	\$17,794.56	\$13,639.10	\$4,155.46	\$159.83
Associate and family	\$23,218.84	\$17,099.16	\$6,119.68	\$235.37

KHPE HMO – Part-time associates

Cost-sharing	Annual full premium	Defined contribution allowance*	Annual associate cost	Associate cost per pay
Associate only	\$7,736.76	\$6,035.00	\$1,701.76	\$65.45
Associate and spouse	\$18,314.56	\$9,837.05	\$8,477.51	\$326.06
Associate and child	\$11,736.60	\$7,543.75	\$4,192.85	\$161.26
Associate and children	\$17,794.56	\$9,837.05	\$7,957.51	\$306.06
Associate and family	\$23,218.84	\$11,567.05	\$11,651.76	\$448.14

*What the company pays

Benefits

Physician visits	Copay (associate pays)
Primary care	\$20
Specialist	\$40
Emergency room/Urgent care	ER \$150/UC \$40
Inpatient hospital services	\$200 per day/\$600 maximum per admission
Prescription drug coverage	Generic (formulary) \$10 Brand name (formulary) \$40 Non-formulary \$70
Vision coverage	Routine eye exams and corrective lenses once every two calendar years — \$0 copay

Dental plans

Two dental plans are offered. You may choose either of these plans regardless of your medical plan selection.

Both dental options are preferred provider organization (PPO) plans offering flexibility to select any licensed dentist or specialist either in or out of the plan's network of participating providers.

Concordia Flex High PPO – Full-time associates

Cost-sharing	Annual full premium	Defined contribution allowance*	Annual associate cost	Associate cost per pay
Associate only	\$445.08	\$255.00	\$190.08	\$7.31
Associate and spouse	\$842.04	\$420.75	\$421.29	\$16.20
Associate and child(ren)	\$898.68	\$471.75	\$426.93	\$16.42
Associate and family	\$1,285.44	\$624.75	\$660.69	\$25.41

Concordia Flex High PPO – Part-time associates

Cost-sharing	Annual full premium	Defined contribution allowance*	Annual associate cost	Associate cost per pay
Associate only	\$445.08	\$255.00	\$190.08	\$7.31
Associate and spouse	\$842.04	\$337.88	\$504.17	\$19.39
Associate and child(ren)	\$898.68	\$363.38	\$535.31	\$20.59
Associate and family	\$1,285.44	\$439.88	\$845.57	\$32.52

*What the company pays

Concordia Flex Low PPO – Full-time associates

Cost-sharing	Annual full premium	Defined contribution allowance*	Annual associate cost	Associate cost per pay
Associate only	\$369.36	\$255.00	\$114.36	\$4.40
Associate and spouse	\$690.84	\$420.75	\$270.09	\$10.39
Associate and child(ren)	\$514.44	\$471.75	\$42.69	\$1.64
Associate and family	\$827.52	\$624.75	\$202.77	\$7.80

Concordia Flex PPO – Part-time associates

Cost-sharing	Annual full premium	Defined contribution allowance*	Annual associate cost	Associate cost per pay
Associate only	\$369.36	\$255.00	\$114.36	\$4.40
Associate and spouse	\$690.84	\$337.88	\$352.97	\$13.58
Associate and child(ren)	\$514.44	\$363.38	\$151.07	\$5.81
Associate and family	\$827.52	\$439.88	\$387.65	\$14.91

*What the company pays

Company-paid benefits

The following benefits are provided at no cost to all of our full-time associates and part-time associates scheduled to work 15 or more hours per week.

Benefit	Coverage
Basic Life Insurance	<ul style="list-style-type: none"> • Effective first day of the month following or coinciding with 30 calendar days from date of hire • Benefit equal to two times salary (salary is defined as base salary plus past 12 months' commissions)
Accidental Death & Dismemberment (AD&D)	<ul style="list-style-type: none"> • Effective first day of the month following or coinciding with 30 calendar days from date of hire • Benefit is doubled in event of accidental death • Benefit equal to two times salary (salary is defined as base salary plus past 12 months' commissions)
Basic Long-Term Disability (LTD) Insurance	<ul style="list-style-type: none"> • Benefit equals 60% of salary (salary is defined as base salary plus past 12 months' commissions) • Benefits begin following six months of continuous disability
Business Travel Accident Insurance	<ul style="list-style-type: none"> • Effective the date of hire • \$100,000 benefit
Tuition Programs	<ul style="list-style-type: none"> • Effective after 12 months of service • Eligible associates may receive up to \$5,250 annually towards an undergraduate or graduate degree program. • Tuition Assistance is a reimbursement program which the Company provides eligible associates reimbursement of expenses associated with courses taken for a matriculated degree at any accredited college or university. • University Partnership Program is a deferral program in which the Company provides direct payment to sponsoring academic institutions.
Adoption Assistance Program	<ul style="list-style-type: none"> • Effective after 12 months of service • Reimburses associates up to \$3,500 for eligible expenses incurred for the adoption of a child not related to the associate • Eligible expenses include agency fees, placement fees, and legal fees

Additional benefits associates may purchase

Our full-time associates and part-time associates scheduled to work a minimum of 15 hours per week may purchase the benefits listed below.

Contributions are made on a pre-tax 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.

Benefit	Coverage
Long-Term Disability (LTD) Insurance Enhancement	<ul style="list-style-type: none"> • Effective first day of the month following or coinciding with 30 calendar days from date of hire • Benefit supplies an additional 6 2/3% of LTD benefit added to the company-provided LTD benefit of 60%
Medical Spending Account	<ul style="list-style-type: none"> • Effective first day of the month following date of hire • Used to fund eligible medical/dental/prescription and vision expenses not covered by insurance for the associate and eligible dependents • \$260* annual minimum; \$2,650* annual maximum • Funds not used by the end of the calendar year will be forfeited in accordance with IRS regulations
Dependent Care Spending Account	<ul style="list-style-type: none"> • Effective first day of the month following date of hire • Used to fund eligible dependent child(ren) up to age 13 or elder care expenses • \$260* annual minimum; \$5,000* annual maximum (highly compensated associates may be subject to additional limitations) • Funds not used by the end of the calendar year will be forfeited in accordance with IRS regulations
Transportation Spending Accounts	<ul style="list-style-type: none"> • Effective first day of the month following date of hire • Used to pay for transit and/or parking expenses • Transit monthly maximum is \$260* parking monthly maximum is \$260* • Funds not used by the end of the calendar year may be forfeited in accordance with IRS regulations if continued enrollment does not occur
Flex Vacation	<ul style="list-style-type: none"> • Purchase 1–5 flex vacation days • Cost determined by base salary • Must use all company-paid vacation before using flex vacation • No carryover; however, cost of unused flex vacation may be reimbursed at year-end • Associates hired on or after October 1 are not eligible to participate until the following calendar year

*The IRS limits are published annually. The limits provided here are the approved limits at the time this brochure was published and may have changed.

Associates may also purchase the following benefits on an after-tax basis through payroll deduction.

Benefit	Coverage		
Supplemental Life Insurance	<ul style="list-style-type: none"> • Effective first day of the month following or coinciding with 30 calendar days from date of hire • Purchase additional coverage equal to 1, 1.5, 2, 2.5, 3, or 3.5 times salary (salary is defined as base salary plus past 12 months' commissions) • Supplemental Life Insurance amounts include an equal amount of AD&D Insurance 		
Dependent Life Insurance	Effective first day of the month following or coinciding with 30 calendar days from date of hire:		
	Level 1	Level 2	Level 3
Spouse/Domestic partner	\$10,000	\$25,000	\$50,000
Child(ren)/Domestic partner Child(ren)	\$3,000*	\$5,000*	\$10,000*

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

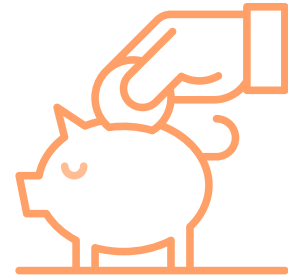
Additional benefits

Your health and well-being are important to us. As an associate, you have access to resources to help you achieve work-life balance, including an Employee Assistance Program, an Associate Wellness program, and Associate Advantage discounts.

Retirement plan

Blue Chip 401(k) retirement savings plans

To assist associates with saving for their retirement, the company will contribute to their 401(k) Blue Chip Retirement Savings Plan, administered by Vanguard, through an automatic contribution and company match:



- Employer-funded retirement account – the company will deposit three percent of your eligible earnings into a 401(k) plan. This contribution will be invested directly into the company's default fund (Vanguard Target Fund). You do not need to participate in the Blue Chip Retirement Savings Plan in order to receive this contribution.
- Company match – the company will match 50 percent up to the first eight percent of your contributions. (90-day waiting period for matching contribution, and employer three percent contribution).

In addition, a program called One-Step is offered. This voluntary program will automatically:

- Enroll you in the plan after 30 days of employment with a four percent pre-tax deduction.
- Increase your contributions one percent each year until it reaches a cap of eight percent.
- You may opt out of this program or contribute more (or less) than the four percent.

Associates may make both pre-tax and Roth after-tax salary contributions of up to 50 percent of covered pay (combined totals not to exceed IRS limits).

- Associates are always 100 percent vested in their contributions to the plan.
- The company matches 50 cents for every dollar contributed up to the first eight percent of an associate's contribution.

Paid time off (PTO) and leave-of-absence policies

Benefit	Coverage
Company holidays	<ul style="list-style-type: none"> • Eight designated paid holidays
PTO Bank	<ul style="list-style-type: none"> • 19 to 34 days per year based on length of service • Prorated first calendar year based on hire date • Used for any “time away from work” reason including vacation, associate’s own or family member’s illness, personal emergency, bereavement of non-immediate family member
Short-Term Disability	<ul style="list-style-type: none"> • Eligible 90 days from date of hire • Benefit is paid at 100% or 60% based on years of service • Medical documentation and claim approval required • Benefits begin on the sixth business day of absence
Family and Medical Leave Act	<ul style="list-style-type: none"> • Eligible 12 months from date of hire • Associates must have worked 1,250 hours in the previous 12-month period • Unpaid leave for up to 12 work weeks for birth, adoption, or foster care or a serious medical condition of an associate’s spouse, child, parent, or self • 30 days’ notice to manager/supervisor is required when need for leave is foreseeable • Upon return, associate will be restored to same or equivalent position with equivalent pay, benefits, and seniority
Bereavement Leave	<ul style="list-style-type: none"> • Up to three paid days of leave due to the death of an immediate family member
Court Appearance	<ul style="list-style-type: none"> • Benefit covers jury duty service and court appearances for which associates are not personally involved • Associate receives regular pay reduced by juror pay
Military Leave	<ul style="list-style-type: none"> • For Active Reservist and civil emergency leave • Provisions of leave are based on federal and state law in effect at the time of leave • Service credited for benefits during absence • Reemployment and reinstatement provisions apply

This Benefits Profile describes highlights of the Company's benefits program. Details are contained in the official plan documents that legally govern the operation of the plans. If there is any conflict between this Benefits Profile and the plan documents, the plan documents will always govern. We reserve the right to change, amend, or terminate these plans at anytime. This Benefits Profile does not constitute a contract of employment or contract of any other nature between Independence and any other sponsoring company and any associates.

Independence 

Family of Companies

Independence Blue Cross is an independent licensee of the Blue Cross and Blue Shield Association. Independence Blue Cross is an Equal Opportunity Employer (EOE). Qualified applicants are considered for employment without regard to age, race, color, religion, sex, national origin, sexual orientation, disability, or veteran status.

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