2019

BENEFITS GUIDE
NORMAN PROGRAMS

The UNIVERSITY of OKLAHOMA
CONFIDENTIALITY OF RECORDS  The university, its staff, and contracted companies are dedicated to maintaining the confidentiality of all benefits data. All employees’ records are protected by state and federal privacy laws. Only those individuals, internal or external, with a demonstrated need to know are allowed access to relevant records.

About This Guide

This benefit summary provides highlights of the employee benefits program for The University of Oklahoma – Norman Programs. It is not a legal document and shall not be construed as a guarantee of benefits nor of continued employment at The University of Oklahoma. All benefit plans are governed by master policies, contracts and plan documents. Any discrepancies between any information provided through this summary and the actual terms of such policies, contracts and plan documents shall be governed by the terms of such policies, contracts and plan documents. The University of Oklahoma reserves the right to amend, suspend or terminate any benefit plan, in whole or in part, at any time. The authority to make such changes rests with the Plan Administrator.
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### HUMAN RESOURCES CONTACT INFORMATION

<table>
<thead>
<tr>
<th>HUMAN RESOURCES / BENEFITS</th>
<th><a href="http://WWW.HR.OU.EDU">WWW.HR.OU.EDU</a></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Norman Campus</strong></td>
<td></td>
</tr>
<tr>
<td>Human Resources</td>
<td></td>
</tr>
<tr>
<td>905 Asp Drive, Room 205</td>
<td></td>
</tr>
<tr>
<td>Norman, OK 73019</td>
<td></td>
</tr>
<tr>
<td><strong>Tulsa Campus</strong></td>
<td></td>
</tr>
<tr>
<td>Human Resources</td>
<td></td>
</tr>
<tr>
<td>4502 E. 41st Street, Room 2C11</td>
<td></td>
</tr>
<tr>
<td>Tulsa, OK 74135</td>
<td></td>
</tr>
<tr>
<td><strong>P:</strong> 405-325-1826</td>
<td><strong>F:</strong> 405-325-7354</td>
</tr>
<tr>
<td><strong>P:</strong> 918-660-3190</td>
<td><strong>F:</strong> 918-660-3200</td>
</tr>
</tbody>
</table>

### HELPFUL RESOURCES

<table>
<thead>
<tr>
<th>PLAN</th>
<th>PROVIDER</th>
<th>PHONE NUMBER</th>
<th>WEBSITE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medical</td>
<td>Cigna</td>
<td>800-244-6224</td>
<td><a href="http://www.myCigna.com">www.myCigna.com</a></td>
</tr>
<tr>
<td>Health Savings Account (HSA)</td>
<td>Cigna / HSA Bank</td>
<td>800-244-6224</td>
<td><a href="http://www.myCigna.com">www.myCigna.com</a></td>
</tr>
<tr>
<td>Telemedicine</td>
<td>Cigna / MDLive</td>
<td>888-726-3171</td>
<td><a href="http://www.MDlive.com">www.MDlive.com</a></td>
</tr>
<tr>
<td></td>
<td>Cigna / Amwell</td>
<td>855-667-9722</td>
<td><a href="http://www.amwell.com">www.amwell.com</a></td>
</tr>
<tr>
<td>Nurse Line</td>
<td>Cigna</td>
<td>800-244-6224</td>
<td><a href="http://www.myCigna.com">www.myCigna.com</a></td>
</tr>
<tr>
<td>Dental</td>
<td>Delta Dental</td>
<td>800-522-0188</td>
<td><a href="http://www.DeltaDentalOK.org/client/ou">www.DeltaDentalOK.org/client/ou</a></td>
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<tr>
<td>Vision</td>
<td>VSP</td>
<td>800-877-7195</td>
<td><a href="http://www.vsp.com">www.vsp.com</a></td>
</tr>
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<td>Flexible Spending Accounts (FSA)</td>
<td>ConnectYourCare</td>
<td>855-907-3237</td>
<td><a href="http://www.ConnectYourCare.com">www.ConnectYourCare.com</a></td>
</tr>
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<td>Long-Term Disability</td>
<td>Lincoln Financial</td>
<td>800-423-2765</td>
<td><a href="http://www.LincolnFinancial.com">www.LincolnFinancial.com</a></td>
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<tr>
<td>Short-Term Disability</td>
<td>Lincoln Financial</td>
<td>800-423-2765</td>
<td><a href="http://www.LincolnFinancial.com">www.LincolnFinancial.com</a></td>
</tr>
<tr>
<td>Retirement &amp; Financial Planning</td>
<td>Fidelity</td>
<td>800-343-0860</td>
<td><a href="http://www.netbenefits.com/sooners">www.netbenefits.com/sooners</a></td>
</tr>
<tr>
<td>Employee Wellness (Norman)</td>
<td>OU Wellness</td>
<td>(405) 325-8435</td>
<td>ou.edu/wellness</td>
</tr>
</tbody>
</table>
EVERY EMPLOYEE plays an important role in the mission of the University of Oklahoma to provide the best possible educational experience for our students through excellence in teaching, research and creative activity, and service to the state and society.

As part of our employees’ total compensation, the university provides a range of benefit programs with both choice and value to meet the needs of our diverse workforce. We know that making benefits choices can be a bit overwhelming, so we have tools and information to help you make the right choices for you and your family.

This guide offers a comprehensive overview of your health and benefits options, including details about eligibility, enrollment and the plans available to you. It also explains how life changes and changes in your employment status can affect your benefits. Keep this booklet for future reference. You can also find benefits information on our website at: https://hr.ou.edu/Employees. If you have further questions after reviewing the options, please reach out to Human Resources on your campus (see page 4).

The University of Oklahoma offers a flexible benefits plan authorized by Section 125 of the Internal Revenue Code. Eligible employees receive an allowance of benefits credits, also called Sooner Credits. These credits represent the amount of money the university pays to provide benefits-eligible employees with the following core insurance benefits:

- Medical Insurance
- Basic Dental Insurance
- Life insurance (1.5 times annual base pay)
- Accidental Death and Dismemberment (AD&D) Insurance in the amount of $10,000 - $20,000

All employees are required to participate in the basic life insurance provided by the university. In addition to the core insurance benefits, employees and their dependents have the option to participate in other benefits available at the employee’s cost:

- Dependent Medical, Dental, Life, and AD&D Insurance
- Supplemental Employee Life and AD&D Insurance
- Employee and Dependent Vision Insurance
- Long-Term Disability Insurance (employee only)
- Short-Term Disability Insurance (employee only)
- Flexible Spending Accounts

Part-time, benefits-eligible employees who hold a full-time equivalent (FTE) of .74 or less will receive partial payment credits for core benefits. The employee will pay the difference between the total cost of the employee's benefits and the amount contributed by the university. Part-time, benefits-eligible employees will receive a percentage of university-paid benefits in accordance with the following benefits payment table:

<table>
<thead>
<tr>
<th>FTE (Full Time Equivalent)</th>
<th>Percentage of Sooner Credits (employer share)</th>
</tr>
</thead>
<tbody>
<tr>
<td>.50 – .59</td>
<td>50%</td>
</tr>
<tr>
<td>.60 – .74</td>
<td>75%</td>
</tr>
<tr>
<td>.75 – 1.0</td>
<td>100%</td>
</tr>
</tbody>
</table>

Note: Employees holding the title of Adjunct are not benefit eligible.

DEPENDENTS

Benefits-eligible employees have the option to cover eligible dependents under certain benefit plans. Eligible dependents include the employee's spouse (as defined in the same manner as legally defined by the State of Oklahoma) and children up to the age of 26 (defined as a child by birth, adoption, or legal guardianship).

Children become eligible for coverage at birth or, in the case of adoption, on the date of placement. To begin coverage for a newborn or a newly adopted child, employees must notify their local Human Resources office within 31 days of the date of birth or date of placement.

A child’s coverage will terminate at midnight on the last day of the month in which they turn 26. The employee must notify Human Resources when a dependent is no longer eligible for coverage. A disabled child may continue coverage past age 26. Human Resources must be notified within 31 days after the child’s 26th birthday for coverage to be continued. Insurance carriers may require additional documentation from attending physicians.
NEW HIRE BENEFITS ENROLLMENT

Individuals have 31 days from the first day of employment to make their benefits elections. Full-time employees are benefits-eligible employees and receive 100% of the Sooner Credits provided by the university. Part-time employees are benefits-eligible if they are appointed to at least a .50 full-time equivalent (FTE). Part-time employees receive a portion of benefits credits (review the table on page 5).

Benefits-eligible employees who fail to select benefits within the 31-day election period will automatically waive coverage for Medical and Dental Insurance, and will automatically enroll in the following insurance benefits coverage:

- Life Insurance (1.5 times annual base pay)
- Accidental Death and Dismemberment (AD&D) Insurance ($10,000 - $20,000 policy)

ANNUAL ENROLLMENT

Annual enrollment is a designated period of time each year when current employees can evaluate their existing coverage and make changes in their benefits plan options according to the provisions of each plan. Before enrolling, employees should review the options and restrictions of each plan. Elections made during the annual enrollment period become effective January 1 of the next calendar year. If changes are not made during annual enrollment, the employee will have to wait until the next annual enrollment period to make any needed changes, unless the employee experiences an applicable Qualifying Event (see page 7) as defined by the IRS code section 125.

During a typical annual enrollment, all current benefits-eligible employees may elect to add, drop, or maintain their current benefits. Remember, if you are enrolled in a Flexible Spending Account (FSA) or the Health Savings Account (HSA), you must take action every year; FSA and HSA elections will not roll over to the new plan year.

Helpful tips for a successful benefits enrollment:

1. Review the benefits guide and select the desired benefits options.
2. Enroll Online. Current employees who wish to make changes to existing benefits may enroll online through Employee Self-Service during the annual enrollment period at benefitsenrollment.ou.edu/enroll. For enrollment assistance, please contact your campus Human Resources.
3. Complete an Evidence of Insurability form if you request additional life insurance coverage as described below and if you request additional spouse life insurance coverage over $100,000.
4. Consider a Flexible Spending Account (FSA). Health Care Flexible Spending Accounts and Dependent Day Care Flexible Spending Accounts are established during the open enrollment period to become effective the following January 1. However, new employees may elect to establish an FSA during their initial benefits enrollment during the plan year. Per IRS regulations, the 2019 maximum contribution for Health Care FSA is $2,700; Dependent Care FSA is $5,000.
**PRE-TAX PREMIUMS**
Employees pay for medical, dental, vision, life, and AD&D with pre-tax dollars. This means the cost of pre-tax benefits will be payroll deducted before federal and state taxes are calculated and deducted. Selecting this option lowers the amount of taxable income reported on the W-2 and reduces the amount of taxes withheld. Long-term disability may also be paid with pre-tax dollars. Please keep in mind choosing the option for Long-term disability premiums will result in a reduction of your monthly disability benefit.

**WHEN COVERAGE BEGINS AND WHEN IT ENDS**

**Full-time Employees** – Coverage begins the first day of the month following date of hire or the first day of the month following the date the employee becomes eligible for benefits.

**Dependents of Employees** – If dependent coverage is elected, the dependent will be covered the day the employee’s coverage begins. If dependent coverage is added or dropped during the year due to a qualifying event, the effective date is the first day of the month following the action. Some coverage is subject to evidence of insurability.

**Part-Time Employees** – Coverage begins the first day of the month following date of hire or the first day of the month following the date the employee becomes eligible for benefits.

**When Coverage Ends** – For most benefits, coverage terminates at midnight on the last day of the month in which the individual’s employment terminates, unless the employee or covered dependents qualify for continued coverage. Upon termination of medical coverage, a Certificate of Credible Coverage will be mailed from the medical insurance provider to the employee’s home address. Life, AD&D, and Longterm disability coverage terminates on the last day of employment. See section regarding “COBRA” (page 19) in this guide.

**QUALIFIED LIFE EVENTS**
Generally, you may only change your benefit elections during the annual enrollment period. However, you may change your benefit elections during the year if you experience a life event such as:

- Marriage
- Divorce or legal separation
- Birth of your child
- Death of your spouse or dependent child
- Adoption of or placement for adoption of your child
- Change in employment status of employee, spouse or dependent child
- Qualification by the Plan Administrator of a child support order for medical coverage
- Entitlement to Medicare or Medicaid

It is the employee’s responsibility to notify Human Resources within 31 days of the Qualified Life Event. Employees must submit a Benefits Change Form (found at hr.ou.edu) to Human Resources. Changes to benefit elections must be applicable and directly related to the Qualified Life Event. Supporting documentation will be required.
Paying for Benefits
Each plan year, the University of Oklahoma contributes monthly benefits credits (or Sooner Credits) to each benefits-eligible employee. The amount of Sooner Credits received is based on the employee’s salary and FTE (Full Time Equivalent). If you experience a change in FTE or salary during the year that moves you to another salary tier, your new Sooner Credits will be effective the first day of the month following the change. Find a full listing of the rates, Sooner Credits, and salary tiers at: hr.ou.edu/Employees/Insurance/Insurance-Programs/Premium-Rates

For employees who are paid monthly, benefits premium deductions will be taken from each monthly payroll check. Employees who are paid bi-weekly will have half of the monthly cost for all benefits deducted from each paycheck. However, please note there are two paychecks each year in which benefits deductions are not taken, except for long-term disability and flexible spending accounts, which will be taken from all paychecks. Note also that Sooner Credits are not given on those two paychecks.

Faculty who elect to be paid in nine months (9/9 faculty) will have deductions pro-rated for the plan year. In order to provide year-round coverage, 1.5 times the monthly premium will be deducted from September to December and January to April. No deductions for benefits will be taken on any summer appointments, since the annual premium is captured in the 8 months from September to April.

Note for 9/9 Faculty:
If you resign your position at the end of the spring semester and will not be returning to the university in the fall, any coverage paid by the employee will continue through June 30th. Arrangements must be made to pay premiums for July and August if you wish to extend the coverage through August 31st.

Family and Medical Leave Act (FMLA)
For medical, dental, life and AD&D coverage, the university will continue to pay its share for benefits-eligible employees who take qualified leave under the Family and Medical Leave Act (FMLA). The employee is still required to pay their portion of the benefits rate, or benefits may be terminated.
Flexible Spending Accounts (FSAs) are designed to help you save money on taxes. Each pay period, funds are deducted from your paycheck before taxes are deducted, which lowers your taxable income and therefore lowers the amount of tax you pay. The FSA funds are then deposited to your Health Care and/or Dependent Care FSA. You then use your funds to pay for eligible health care or dependent care expenses. Our FSA vendor, ConnectYourCare™, includes a special debit card which:

- Works like a credit card and is linked directly to your Health Care Spending Account
- Will notify you to submit a receipt when more documentation is required

### Important Information about FSA

Your FSA elections will be in effect from January 1st through December 31st. You can incur expenses through March 15th of the following plan year and submit claims for reimbursement no later than April 15th. Please plan your contributions carefully. Any money remaining in your account from the previous plan year will be forfeited. This is known as the “use it or lose it” rule governed by IRS regulations.

### The Advantages of an FSA

With an FSA, the money you contribute is never taxed—not when you put it in the account, not when you are reimbursed with the funds from the account, and not when you file your income tax return at the end of the year.

### Save on Your Taxes

Here is an example of how much you can save when you use your FSA to pay for your predictable health care and dependent care expenses:

<table>
<thead>
<tr>
<th>Example</th>
<th>With FSA</th>
<th>Without FSA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Your Taxable Income</td>
<td>$50,000</td>
<td>$50,000</td>
</tr>
<tr>
<td>Pre-tax contribution to Health and Dependent Care FSA</td>
<td>$2,000</td>
<td>$0</td>
</tr>
<tr>
<td>Federal and Social Security taxes*</td>
<td>$11,701</td>
<td>$12,355</td>
</tr>
<tr>
<td>After-tax dollars spent on eligible expenses</td>
<td>$0</td>
<td>$2,000</td>
</tr>
<tr>
<td>Spendable income after expenses and taxes</td>
<td>$36,299</td>
<td>$35,645</td>
</tr>
<tr>
<td>Tax savings with Medical and Dependent Care FSA</td>
<td>$2,000</td>
<td>$2,000</td>
</tr>
</tbody>
</table>

*This is an example only. Your actual experience will vary. It assumes a 25% Federal income tax rate marginal rate and a 7.7% FICA marginal rate. State and local taxes vary, and are not included in this example. However, you will also save on any state and local taxes.

Note: FSA elections do not automatically continue from year to year; **you must actively enroll each year.** If you enroll in the High Deductible Health Plan (HDHP) with a Health Savings Account (HSA), you cannot enroll in the Health Care FSA.
**MEDICAL COVERAGE**

The University of Oklahoma offers a choice of two medical plan options through Cigna so you can choose the plan that best meets the needs of you and your family. Your medical plan options are:

- Cigna PPO Plan
- Cigna HSA Plan

Each plan includes comprehensive health care benefits, including free preventive care services and coverage for prescription drugs. The plans also include in- and out-of-network coverage; individual and family deductibles; coinsurance; and out-of-pocket maximums. Note: The Cigna PPO Plan includes copays for physician visits and prescription drugs.

You must meet the annual deductible before the medical plan begins to cover your health care expenses, however, once the deductible is met, the medical plan begins to pay for a percentage of covered expenses (coinsurance), up to the out-of-pocket maximum.

Out-of-pocket maximums apply to both of the plans. This is the maximum amount you will pay for health care costs in a calendar year. Once you have paid the out-of-pocket maximum, the plan will cover your eligible medical expenses at 100% for the remainder of the plan year. If out-of-network providers are used, then you are responsible for charges that are above “reasonable and customary.”

Again, it is up to you to decide which plan will work best for you and the needs of your family. When making your decision, keep these few things in mind:

- monthly cost of coverage,
- annual deductibles, and
- annual out-of-pocket maximums.

### Case Studies – Medical Plans

**Cigna PPO Plan (Fred; Married; One child)**

When comparing the medical plans offered by the university, Fred and his spouse look for the plan that provides the less out of pocket costs at time of service because Fred’s spouse often needs the care of specialists. Having copays for these visits helps their financial stability. In addition, Fred’s son has allergies and also sees specialists. They would also benefit from Cigna PPO Plan’s 100% coverage for preventive care provision. Fred’s and his spouse’s salaries are adequate to cover the family deductible and they are also able to afford the monthly medical premiums. After comparing the plans, Fred decides the PPO plan is the best option for his family.

**Cigna HSA Plan (Lee; Single; No children)**

Lee is in good health and rarely has to go to the doctor. Lee reviews his medical expenses from past years and notes he has not exceeded $500 in the past. While studying the medical plans offered by the university, Lee sees the HSA Plan option, which provides a $500 fund to a Health Savings Account for medical expenses. Although he realizes he would have to pay the next $1,250 in expenses should he exhaust the fund, he does not expect to pay more than he has in past years. He also can take advantage of the tax savings he receives by contributing pre-tax earnings to his Health Savings Account to save for potential future medical expenses. He would also benefit from HSA’s 100% coverage for preventive care provision. Lee weighs all of his options and decides the Cigna HSA provides the best benefit for his needs.
Important Notes:

- Employer HSA contributions are split over several payroll periods and pro-rated based on date of hire.
- Out-of-Pocket Maximum includes deductibles and copays.
- This is a synopsis of coverage only; the benefits summary contains exclusions and limitations that are not shown here. Please refer to the Cigna benefits summaries for the full scope of coverage located in the Plan & Rx Information on the Medical Insurance page:
  hr.ou.edu/Employees Insurance/Insurance-Programs/Medical
Cigna HSA Plan

CONSUMER DRIVEN HEALTH PLAN (CDHP): CIGNA AND HSA BANK
A Consumer Driven Health Plan CDHP combines a High Deductible Health Plan (HDHP) with a federal tax favored savings account known as a Health Savings Account (HSA)

What’s so great about HSA?
- Funds can be used to pay your annual deductible, coinsurance, and any other qualified medical expenses.
- Functions similar to a 401(k) or IRA. However, withdrawals for qualified medical expenses are not taxed, regardless of your age.
- Funds placed, as well as the interest which accrues, may continue to grow without federal taxation over the years.
- Unused funds roll over from year to year.
- Funds pass along to a surviving spouse or other beneficiary upon death.
- Funds are also portable to another HSA.

HSA MONEY IS YOURS TO KEEP!
Money deposited in your HSA belongs to you and is yours to keep. Should you leave the university, you take the account with you, even if you decide not to remain enrolled in an HSA qualified plan. HSA plans are not “use it or lose it”; funds rollover from year-to-year. You can continue to make contributions up to the IRS annual limit as long as you are enrolled in a qualified medical plan.

Cigna's HSA plan is administered through HSA Bank. When you enroll in the HSA medical plan, an HSA will be opened in your name. A debit card will be mailed to you once your account is established so you can access the money in your HSA Bank account. Your debit card may be used at an ATM, as credit, or debit with your PIN.

Use myCigna.com to manage your HSA account, facilitate reimbursements to yourself, maintain receipts and keep track of expenses for future reimbursement, and even import expenses from a personal credit or debit card. Remember, as long as funds are used for eligible expenses, they are never taxable.

2019 IRS ANNUAL MAXIMUMS – HEALTH SAVINGS ACCOUNTS

<table>
<thead>
<tr>
<th>Status</th>
<th>IRS Annual Max</th>
<th>Annualized Employer Contribution</th>
<th>Employee Contribution Annual Max</th>
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</thead>
<tbody>
<tr>
<td>Single</td>
<td>$3,500</td>
<td>$500</td>
<td>$3,000</td>
</tr>
<tr>
<td>Family</td>
<td>$7,000</td>
<td>$1,000</td>
<td>$6,000</td>
</tr>
<tr>
<td>Catch-Up Contribution Age 55+</td>
<td>$1,000</td>
<td>For more specific information about IRS guidelines, please visit HSAbank.com and click on “Health Savings Account” under Product Overview.</td>
<td></td>
</tr>
</tbody>
</table>
The university dental plan provides coverage to employees and their dependents. The dental plan provides two choices of coverage for benefits-eligible employees—the Basic plan and the Alternate plan. For full details including exclusions and limitations, consult the dental insurance web page at hr.ou.edu/Employees/Insurance/Insurance-Programs/Dental.

Regular dental exams can help you and your dentist detect problems in the early stages when treatment is more basic and costs are much lower. Keeping your teeth and gums clean and healthy will help prevent tooth decay and periodontal disease. Good dental hygiene is an important part of maintaining your medical health.

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Class I: Diagnostic and Preventive Services</td>
<td>90%</td>
<td>100%</td>
<td>75%</td>
<td>100%</td>
<td>75%</td>
<td>100%</td>
</tr>
<tr>
<td>Exams; cleanings; x-rays</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Class II: Basic Services</td>
<td>80%</td>
<td>90%</td>
<td>75%</td>
<td>80%</td>
<td>73%</td>
<td>80%</td>
</tr>
<tr>
<td>Endodontics; periodontics; oral surgery</td>
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<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Class III: Major Services</td>
<td>50%</td>
<td>60%</td>
<td>50%</td>
<td>50%</td>
<td>50%</td>
<td>50%</td>
</tr>
<tr>
<td>Inlays; onlays; crowns; dentures</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Class IV: Orthodontic Services</td>
<td>50%</td>
<td>50%</td>
<td>50%</td>
<td>50%</td>
<td>50%</td>
<td>50%</td>
</tr>
<tr>
<td>Adult and child(ren)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Annual Deductible Individual / Family</td>
<td>$50 / $100</td>
<td>$25 / $75</td>
<td>$50 / $100</td>
<td>$25 / $75</td>
<td>$50 / $100</td>
<td>$25 / $75</td>
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<tr>
<td>Annual Maximum Per covered person</td>
<td>$1,000</td>
<td>$2,000</td>
<td>$1,000</td>
<td>$2,000</td>
<td>$1,000</td>
<td>$2,000</td>
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<td>Class IV Lifetime Max</td>
<td>$1,500</td>
<td>$1,500</td>
<td>$1,500</td>
<td>$1,500</td>
<td>$1,500</td>
<td>$1,500</td>
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</tbody>
</table>

Case Studies – Dental Plans

**Basic Option (Donna; Single; No children)**
Donna hasn't needed dental services other than preventive care for several years. She knows she will not need any major work in the coming year. After comparing the premiums and coinsurance amounts of the two plans offered by the university, she chooses to take the basic dental plan for which the university pays 75% of the premium rather than taking the higher premium alternate dental plan.

**Alternate Option (Jason; Married; Two children)**
Jason's spouse covers himself and their children on the dental plan offered through her employment. Jason is not covered by his spouse's dental plan and knows he will need extensive dental work in the coming year. He compares the plan designs of the basic and alternate dental plans offered through the university and weighs the premium costs of the alternate plan against the plan's benefits (lower deductible, lower coinsurance amounts and a higher annual maximum benefit). He decides the alternate plan would provide a better benefit for his circumstance.
The vision plan covers routine eye exams and pays for all or a portion of the cost of glasses or contact lenses if you need them. There are no claims for you to file when you go to a participating vision specialist. Simply pay your copay and, if applicable, any amount over your allowance at the time of service.

**OBTAINING SERVICES FROM VSP DOCTORS**
Call a VSP doctor to make an appointment. For details on how to locate VSP doctors, call VSP at 800-877-7195 or visit their web site at www.vsp.com. The VSP doctor will contact VSP to verify the employee’s eligibility, plan coverage and authorization for services and materials. VSP will pay the doctor directly for covered services and materials.

When an exam and/or materials are received from VSP doctors, there will be no out-of-pocket expense other than the co-payment, unless optional items are selected. Optional items include, but are not limited to, oversize lenses (61mm or larger), coated lenses, no-line multifocal lenses, treatments for cosmetic reasons, or a frame that exceeds the plan allowance.

**CONTACT LENS ALLOWANCE**
This allowance is in addition to the 15% discount on the contact lens exam and is applied to both the contact lens exam (fitting and evaluation) and the contact lenses. Any costs exceeding this allowance are the patient’s responsibility. The contact lens exam is a special exam for ensuring proper fit of your contacts and evaluating an individual’s vision with the contacts. Medically necessary contact lenses must be prescribed by your doctor (as required for certain medical conditions) and approved by VSP. For more information, contact VSP member services support at 800-877-7195, or visit VSP’s web site at www.vsp.com.

<table>
<thead>
<tr>
<th>Plan Option</th>
<th>Standard</th>
<th>Premium</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exam</td>
<td>$15 copay</td>
<td>$5 copay</td>
</tr>
<tr>
<td>Hardware</td>
<td>$25 copay</td>
<td>$15 copay</td>
</tr>
<tr>
<td>Frequency Exam</td>
<td>Once every: 12 months</td>
<td>Once every: 12 months</td>
</tr>
<tr>
<td>Lenses</td>
<td>12 months</td>
<td>12 months</td>
</tr>
<tr>
<td>Frames</td>
<td>12 months (every other calendar year)</td>
<td>12 months</td>
</tr>
<tr>
<td>Frames</td>
<td>$130 to $150 after copay, 20% off balance</td>
<td>$150 to $170 after copay, 20% off balance</td>
</tr>
<tr>
<td>Lenses</td>
<td>100% after copay</td>
<td>100% after copay</td>
</tr>
<tr>
<td>SingleVision Lenses</td>
<td>100% after copay</td>
<td>100% after copay</td>
</tr>
<tr>
<td>Bifocal Lenses</td>
<td>100% after copay</td>
<td>100% after copay</td>
</tr>
<tr>
<td>Trifocal Lenses</td>
<td>100% after copay</td>
<td>100% after copay</td>
</tr>
<tr>
<td>Medically Necessary Contacts</td>
<td>100% no copay</td>
<td>100% no copay</td>
</tr>
<tr>
<td>Disposable Contacts</td>
<td>$50 / $100</td>
<td>$25 / $75</td>
</tr>
<tr>
<td>Annual Maximum</td>
<td>Up to $120 no copay, 15% off balance</td>
<td>Up to $150 no copay, 15% off balance</td>
</tr>
</tbody>
</table>

**Case Study – Standard Vision**

Bob, married, 3 children
Bob wears eyeglasses, and his spouse has contact lenses. Two of his children also wear corrective lenses. The co-pay for an exam with a VSP provider is $15 and $25 for materials (lenses and frames). In addition, the plan provides an allowance for contact lenses which would benefit Bob’s spouse and children. After comparing premiums and costs of services and supplies, Bob finds the premiums will likely be less than his vision care expenses. Bob decides to enroll his family in VSP.
LIFE AND ACCIDENTAL DEATH & DISMEMBERMENT (AD&D): LINCOLN FINANCIAL

Life insurance is an important part of your financial security, especially if others depend on you for support. Accidental Death & Dismemberment (AD&D) insurance is designed to provide a benefit in the event of accidental death or dismemberment.

The University of Oklahoma provides Basic Life and AD&D Insurance to all eligible employees at no cost to you. There are two benefit options to choose from:

**Basic Life:** Flat $50,000 (employees earning $33,000 per year or more), or 1.5 times base annual salary

**AD&D:** $10,000 to $40,000 (depending on class and basic life benefit choice)

There are no imputed income or tax issues for the first $50,000 of group term life insurance coverage provided by an employer. IRS Section 79 states that employer-paid employee life insurance over $50,000 will generate imputed income (a dollar amount added to your gross pay based on age and amount of coverage over $50,000), which will be subject to federal, state, and FICA taxes.

SUPPLEMENTAL LIFE INSURANCE COVERAGE

The University of Oklahoma provides you with the opportunity to purchase supplemental life insurance coverage for you and your family over the amount paid on your behalf by The University of Oklahoma. Evidence of Insurability (EOI) may be required if you elect a coverage amount above the guaranteed issue amount at your initial eligibility, or if you elect any amount of coverage after your initial eligibility. The cost of this benefit is determined by your age and the amount of coverage you elect. This means that as you age, the premium amount per pay period may change. You must elect Supplemental Life coverage for yourself in order to cover your spouse and/or children. Please refer to the chart below for available coverage information.

**SUPPLEMENTAL AD&D INSURANCE COVERAGE**

The amount of Basic AD&D insurance you elect is 100% employer paid; and is included in the amount of Stand Alone AD&D insurance you elect, which is 100% employee paid.

- Choice of $50,000 increments
- Maximum amount $250,000

<table>
<thead>
<tr>
<th>Employee</th>
<th>Spouse</th>
<th>Child(ren)</th>
</tr>
</thead>
<tbody>
<tr>
<td>• An amount equal to 1.5, 3 or 4.5 times annual salary up to $1,500,000 (when combined with basic life)</td>
<td>• An amount equal to 0.75, 1.5, 2.25, 3 or 3.5 times annual salary up to 50% of combined employee’s basic and supplemental life amount</td>
<td>• Live birth to 26 years: $5,000 or $10,000</td>
</tr>
<tr>
<td>• Initial eligibility Guaranteed Issue amount combined with basic life: $450,000 or 4.5 times annual salary, whichever is less</td>
<td>• Initial eligibility Guaranteed Issue amount: $100,000 or 2.25 times annual salary, whichever is less</td>
<td></td>
</tr>
<tr>
<td>• Benefits terminate at retirement.</td>
<td>• Benefits terminate at employee’s retirement</td>
<td></td>
</tr>
</tbody>
</table>

Please refer to hr.ou.edu/employees/insurance/insurance-programs/life for additional information and rates.
BENEFICIARIES – LIFE AND AD&D INSURANCE

Naming someone as a beneficiary means the money can go straight to him or her in the event of your death, rather than through your estate; thus avoiding potential probate taxes, expenses, and legal battles. The beneficiary you designate can be any legally competent person or an entity—spouse, children, other friends and relatives; or a trust, a charity, a church, etc. It is important that you name a beneficiary and do it properly to make sure the money ends up where you intended it to go.

Having a will is not sufficient. You need to designate a beneficiary for your life insurance policy proceeds (the money or death benefit). Insurance policies and proceeds have nothing to do with your will. A will only applies to your “probate estate”, which includes assets other than life insurance (i.e. investments, savings, or real estate).

Your probate estate is subject to taxes, creditors (debt such as loans and credit cards), and other expenses that might greatly lower the amount of money your spouse, children, or other heirs receive. The probate process can take many months. If your spouse or other heirs have no money while your estate is in probate, they might not be able to pay household expenses and maintain their quality of life. This is what life insurance is meant to prevent. The money goes directly to the beneficiary, without going through probate.

Important Things to Know About Beneficiaries

If you are in a community property state (e.g. Arizona, California, Idaho, Nevada, New Mexico, Texas, Washington, or Wisconsin), your spouse is legally entitled to half of everything.

If you give someone a power of attorney (the legal right to act for you), be sure to mention if the insurance policy is within his or her authority.

Don’t forget to review your beneficiary designations periodically and especially after major life events (e.g. births, deaths, weddings, divorces, graduations, and retirements).

Who to Name as Beneficiary and How to Do It

Think carefully about whom to name as beneficiary and be sure to name a secondary (contingent) beneficiary, too. The contingent beneficiary will get the money if the first person you name (primary beneficiary) dies before you or maybe at the same time (e.g. in a car accident). While it is common to name family members as beneficiaries, this is not required. The most important thing is to think about your beneficiary decisions while keeping in mind the big picture of all your assets and financial planning. It may help to talk to an estate planner, accountant, or attorney.

When designating a beneficiary (or beneficiaries - you can name as many as you want, and the money can be divided among them), you have to do it correctly. Spelling out people’s full names and their relationship to you is important. Using their Social Security numbers removes all doubt about your intentions so you can be sure your wishes are carried out.

The beneficiary designation is also the place to indicate how you want the money divided. This can get complicated if a spouse has children from another marriage, or if one of your children dies before you, leaving grandchildren, etc. This is why it is extremely important for you to be specific in your beneficiary designation.
Things to Consider When Naming Your Beneficiaries

- Using exact dollar amounts, which can get outdated. Instead, use percentages, such as 50% (be sure they add up to 100%) or terms such as “evenly divided among”.

- Naming your estate as beneficiary, as that may lead to probate problems that life insurance is meant to avoid (i.e. taxes, delays, legal questions, debts).

- Naming minor children (under the age of 18 or 21, depending on where you live) as beneficiaries, since they will need a legal guardian appointed by the court to manage their money.

Using a Legal Trust as Beneficiary

You can use a trust as beneficiary. A trust is a legal document that transfers money from one person (the grantor) to another person (the trustee) or institution (such as a bank) to be managed for the benefit of a third person (the beneficiary). Trusts are particularly useful if you want to provide for minor children, disabled relatives, or people who might be legally incompetent to manage money themselves.

Two key types of trusts are living trusts, which you create during your lifetime, and testamentary trusts, which are part of your will and don’t take effect until after you die. For life insurance purposes, a living trust is best since it avoids the probate process your will and other assets must go through. If you decide to name a trust as beneficiary, be sure an actual legal trust document has been drawn up for you by a lawyer, or the insurance proceeds (money) cannot be paid to the trust.

Important:
Keep your beneficiary information up to date in Employee Self-Service (hr.ou.edu/self-service).
Disability Benefits

**SHORT-TERM DISABILITY INSURANCE**
The Short-Term Disability (STD) Plan is an optional insurance plan fully paid for by the employee as an after-tax payroll deduction. Employees enrolled in this plan that become ill or injured and are not able to work may be eligible to receive continued income. The weekly benefit is 60% of your weekly salary up to a maximum of $1,500 per week. The benefit begins on the first day of an accident (or on the fifteenth day of an illness) with a maximum duration of 26 weeks. The STD plan is guaranteed issued during open enrollment, but does have a pre-existing condition clause. This means you may not be eligible for benefits if you have received treatment for a condition within 3 months prior to your effective date until you have been covered under the policy for 6 months.

**LONG-TERM DISABILITY INSURANCE**
The Long-Term Disability (LTD) Plan is an optional insurance plan fully paid for by the employee. Participants in this plan who become ill or injured and are not able to work for 180 days (six months) may be eligible to receive continued income. After the employee has been ill or injured and unable to return to work for 180 days (6 months), they may become eligible to receive Long-Term Disability payment.

**Paying with Pre-Tax vs. After-Tax Dollars**
Participants who elect to pay with pre-tax dollars will be subject to income tax on all disability income received from this policy. Participants who elect to pay with after-tax dollars should not be subject to taxes on income received from this policy at the time it is received.

**Reduced Benefit Possible**
The benefit the employee receives may be reduced so the total amount of disability payments received from all other sources (Social Security, workers’ compensation and other group disability insurance, including OTRS) will not exceed the percentage of the employee’s monthly base salary for the option selected. Payment of LTD Benefits is limited to 24 months during your entire lifetime for a Disability caused or contributed to by mental disorders or substance abuse. However, if you are confined in a hospital solely because of a mental disorder at the end of the 24 months, this limitation will not apply while you are continuously confined.

**Three Options for Long-Term Disability**
Eligible employees can choose from three plan options. When choosing an option, consider the costs and benefits of each. For Long-Term Disability options please see below.

**Plan 1**: 66 2/3 % of pre-disability earnings up to $5,000 per month.
Several additional benefits: Participants can receive a cost-of-living adjustment of up to four percent per year. If the employee participates in the 401(a) OU Retirement Plan when disability occurs, the carrier will continue to make contributions.

**Plan 2**: 50% of pre-disability earnings up to $2,000 per month.

**Plan 5**: 66 2/3 of pre-disability earnings up to $15,000 per month. Available to individuals who earn $70,000 or more annually. See the plan summary for the details of this plan.

**Maximum Benefit Period**
The maximum benefit period for this long-term disability coverage is determined by the employee’s age at the time of disability. Maximum benefit periods are as follows:

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<tr>
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<td>1 year</td>
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**Changing Options**
If a participant previously elected Plan 2 (50%), and they want to increase the coverage and elect Plan 1 (66 2/3%) during annual enrollment, a one-year pre-existing condition will apply to the increased benefit amount. If the individual previously elected no coverage during annual enrollment, he or she may only elect Plan 2, and the one-year pre-existing condition will apply.

Note: Under Plans 1 and 5, contributions made by this policy to the 401(a) OU Retirement Plan will end when a distribution from the plan is made to the employee.

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The Short-Term Disability (STD) Plan is an optional insurance plan fully paid for by the employee as an after-tax payroll deduction. Employees enrolled in this plan that become ill or injured and are not able to work may be eligible to receive continued income. The weekly benefit is 60% of your weekly salary up to a maximum of $1,500 per week. The benefit begins on the first day of an accident (or on the fifteenth day of an illness) with a maximum duration of 26 weeks. The STD plan is guaranteed issued during open enrollment, but does have a pre-existing condition clause. This means you may not be eligible for benefits if you have received treatment for a condition within 3 months prior to your effective date until you have been covered under the policy for 6 months.

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**Reduced Benefit Possible**
The benefit the employee receives may be reduced so the total amount of disability payments received from all other sources (Social Security, workers’ compensation and other group disability insurance, including OTRS) will not exceed the percentage of the employee’s monthly base salary for the option selected. Payment of LTD Benefits is limited to 24 months during your entire lifetime for a Disability caused or contributed to by mental disorders or substance abuse. However, if you are confined in a hospital solely because of a mental disorder at the end of the 24 months, this limitation will not apply while you are continuously confined.

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Continuing Coverage

COBRA CONTINUATION OF COVERAGE
Employees of the University of Oklahoma who are covered by the university’s medical, dental, vision, or healthcare Flexible Spending reimbursement account, have the right to choose COBRA Continuation Coverage if the employee loses coverage because of a reduction in hours of employment or the termination of employment for reasons other than gross misconduct.

For more information, visit hr.ou.edu/Employees/Insurance/COBRA-Continued-Benefits-Coverage.

COVERAGE WHEN DISABLED
If a benefits-eligible employee becomes totally disabled prior to age 60, they may apply for Waiver of Premium. The employee will be required to provide medical documentation indicating proof of disability.

If approved, the employee’s life insurance benefit may be continued up to age 70, so long as the employee remains disabled. Eligibility is reviewed annually by the life insurance company. This benefit is not available for dependent life insurance. Currently, employees who have at least 10 years of benefits-eligible service with the university may apply for university disability retirement. If approved, the employee will receive the medical and dental coverage that is paid by the university for the duration of his or her disability. Medical documentation must be provided to support the disability claim.

COVERAGE FOR SURVIVING DEPENDENTS OF ACTIVE EMPLOYEES
If an active employee has been on the plan for five consecutive years and is on the plan at time of death as an active employee, any dependents covered by the employee at time of death may continue coverage at their own expense until re-marriage for a spouse or until the age limit for coverage is reached for children.
RETIREMENT
As you consider retirement from OU, there are many factors that you’ll weigh in your decision – most importantly your vision for the future, your retirement eligibility, retirement benefits, and financial planning. The university knows it’s important for you to be informed and ready for retirement, and there are even several options for employees to start preparing financially at any point during their careers.

Benefits Eligible Employees
Benefits eligible employees will enroll in an OU Retirement Plan within their first 30 days of eligibility. HR will contact you about how to enroll and review your two OU Retirement Plan options. In both options, OU contributes money on your behalf to a 401(a) Defined Contribution Plan. There is a one-year waiting period before contributions begin into your 401(a) and a three-year vesting period. The amount of the contribution depends on which option you choose.

Option 1: OU contributes 8% of your base salary after $9,000 on your behalf to the OU Contributory Retirement Plan, a 401(a) defined contribution plan.

In addition to the 401(a) savings, you are enrolled in the Oklahoma Teachers' Retirement System (OTRS). You will contribute 7% of your total compensation to OTRS every pay cycle. Total compensation is more than the amount of your take-home pay. It is the sum of your earnings, plus your employer-paid insurance premiums (health, dental, life, and AD&D), plus the amount the university contributes to your 401(a) defined contribution plan.

OTRS provides a defined lifetime income (much like a pension plan) to participating members who become eligible for retirement. OTRS is administered by the State of Oklahoma, and Oklahoma laws establish the rules and procedures governing OTRS.

Option 2: OU contributes 9% of your base salary on your behalf to the OU Retirement Plan, a 401(a) defined contribution plan. Employees do not contribute to this retirement plan option and are not enrolled in OTRS.

The significant difference between Option 1 and Option 2 is in how you plan to save for retirement – whether you plan to invest separately in another retirement savings program. In Option 1, your personal contributions are built into the OTRS participation. In Option 2, you choose how and where to save any additional retirement funds – perhaps by opening a voluntary savings plan with Fidelity.

All Employees
Voluntary Retirement Savings Plans - 403(b) & 457(b) Plans
All OU employees have the option to save additional funds in a Voluntary Retirement Savings Plan. The university offers both a 403(b) Voluntary Retirement Savings Plans (Pre-tax & Roth options) and 457(b) Voluntary Retirement Savings Plans (Pre-tax & Roth options).

Tax-deferred annuities authorized by Section 403(b) and 457(b) of the Internal Revenue Code are retirement savings programs that allow employees to set aside a portion of their pre-tax income. A tax-deferred annuity is a professional approach to financial planning offering several advantages:

► Tax benefits to reduce your tax liability.
► Savings through payroll deduction.
► Flexible retirement options that offer a lifetime income.
► You may start or stop your contributions to the annuity at any time during the year.
Maximum Contributions
The Economic Growth and Tax Relief Reconciliation Act of 2001 has substantially simplified 403(b) and 457(b) compliance. Participants may enroll once and their contribution will carry over from year to year, eliminating the need to complete a new enrollment each calendar year. Under the new law, 403(b) and 457(b) participants are able to contribute 100% of compensation up to the annual deferral limit of $19,000 for 2019. An employee may take advantage of both accounts, so that the combined maximum for the 2019 calendar year would be $38,000.

Two other opportunities are available to participants to contribute above the deferral limit:

▶ Catch-up contributions for employees reaching age 50 or older are allowed. The catch-up amount for 2019 is $6,000 for a total of $25,000 per plan, or a combined maximum of $50,000

▶ Special exclusion allowance for employees with 15 years of service or more at OU may be possible for up to $3,000 annually. Please call the benefits office to request a special exclusion allowance to determine your eligibility.

Participation
To establish a tax-deferred voluntary retirement savings plan, you must enroll at Fidelity Online. Your designated contribution will be deducted directly from paycheck and deposited to your Fidelity account.

Changes & Deadlines
You may stop or change your enrollment and contribution amounts at any time at Fidelity Online. Actions made to a 403(b) plan by the 3rd of the month will be applied to your next paycheck. Actions made to a 457(b) plan by the 3rd of the month will be applied to your paycheck in the next month.
Brand Name Drugs — Drugs that have trade names and are protected by patents. Brand name drugs are generally the costliest choice. Non-preferred brand drugs are available but fall under tier 3 and require a higher copay.

Coinsurance — The percentage of a covered charge paid by the plan.

Copayment (Copay) — A flat dollar amount you pay for medical or prescription drug services regardless of the actual amount charged by your doctor or health care provider.

Deductible — The annual amount you and your family must pay each year before the plan pays benefits.

Generic Drugs — Generic drugs are less expensive versions of brand name drugs that have the same intended use, dosage, effects, risks, safety and strength. The strength and purity of generic medications are strictly regulated by the Federal Food and Drug Administration.

High Deductible Health Plan (HDHP) — A medical plan that may be used in conjunction with a health savings account (HSA).

Health Savings Account (HSA) — A fund you can use to help pay for eligible medical costs not covered by your medical plan. Both employers and employees may contribute to this fund; employees do so through pre-tax payroll deductions.

In-Network — Use of a health care provider that participates in the plan’s network. When you use providers in the network, you lower your out-of-pocket expenses because the plan pays a higher percentage of covered expenses.

Out-of-Network — Use of a health care provider that does not participate in a plan’s network.

Mail Order Pharmacy — Mail order pharmacies generally provide a 90-day supply of a prescription medication for the same cost as a 60-day supply at a retail pharmacy. Plus, mail order pharmacies offer the convenience of shipping directly to your door.

Inpatient — Services provided to an individual during an overnight hospital stay.

Outpatient — Services provided to an individual at a hospital facility without an overnight hospital stay.

Out-of-Pocket Maximum — The maximum amount you and your family must pay for eligible expenses each plan year. Once your expenses reach the out-of-pocket maximum, the plan pays benefits at 100% of eligible expenses for the remainder of the year, except for prescriptions under all medical plans except the HSA Plan.

Primary Care Physician (PCP) — A physician (generally a family practitioner, internist or pediatrician) who provides ongoing medical care. A primary care physician treats a wide variety of health-related conditions and refers patients to specialists as necessary.

Specialist — A physician who has specialized training in a particular branch of medicine (e.g., a surgeon, gastroenterologist or neurologist).