

Open Enrollment is Nov. 7-18, 2011

HETCO

Benefits Decision Guide

FOR YOUR 2012 BENEFITS



*Your guidebook for enrolling
in or making changes to your
HETCO benefits program*



Open Enrollment for 2012

Open Enrollment for your 2012 benefits will be held Nov. 7-18. This Benefits Decision Guide will lead you through the Open Enrollment process and help you choose coverage that will protect you and your family today and help you plan for the future.

Remember, this is your only chance during the year to make changes to your Medical or Dental Plan coverage unless you experience a qualified life event (see p. 11), so take the time to consider all your options and choose the coverage that best meets your needs.

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IF YOU'D LIKE TO	YOU CAN	YOU ALSO CAN
Continue your 2011 Medical and Dental Plan coverage, Health Savings Account (HSA) contribution rate, and Life, Long Term Disability and Family Accident coverage in 2012	Do nothing and let your 2011 benefit choices roll over to 2012.	Visit www.HETCOResourceCenter.com or call 1-877-511-4377 (M-F, 8 a.m. – 8 p.m. Eastern) to: <ul style="list-style-type: none"> ▶ Get information to help you make Open Enrollment decisions ▶ Learn more about your company benefit plans ▶ Change your Savings Plan contribution or investment choices ▶ Check or change your benefit plan beneficiaries Visit www.anthem.com or call 1-800-854-1834 to: <ul style="list-style-type: none"> ▶ Get answers to Medical Plan questions ▶ Find in-network providers
View your personal information, 2011 elections, 2012 options and 2012 premiums	Visit www.HETCOResourceCenter.com or call 1-877-511-4377 (M-F, 8 a.m. – 8 p.m. Eastern)	
Enroll in or decline Medical and Dental Plan Coverage or contribute to an HSA		
Enroll in or change Long Term Disability, Life or Family Accident Insurance coverage		
Open an HSA for 2012	Visit www.anthem.com or call 1-800-854-1834	



Open Enrollment for 2012

Improvements for 2012

Several changes have been made to your benefits coverage for 2012:

- ▶ *Three years ago, the company introduced the concept of Healthy Rewards to spur employees and family members to take action and get on the path to good health.* Participants have earned those rewards, engaged in wellness activities and, most importantly, made measurable improvements in their health. **Therefore, for 2012, the company will automatically deposit the full Healthy Rewards amount into your Health Savings Account without requiring any action on your part.**
- ▶ *You'll receive a Vision card in early 2012 that will entitle you to additional discounts on lenses, frames and contact lenses.* You'll automatically receive a vision discount card when you sign up for Medical Plan coverage.
- ▶ *Long-Term Disability (LTD) insurance premiums will decrease by about 40 percent for new and continuing LTD participants.* You can enroll in LTD during the Open Enrollment period without providing evidence of insurability.
- ▶ *Prudential is the new provider for our Life Insurance and LTD insurance programs.* These plans are not changing for 2012.
- ▶ *Medical Plan premiums will increase by about 8.7 percent for 2012 to recognize continued healthcare cost escalation and impact of changes required due to Health Care Reform.* This increase is comparable to premium increases being made by other employers.
- ▶ *Certain asthma medications have been added to the preventive drug list for the first time.* Generic asthma drugs are covered at 100 percent and name-brand drugs are covered at 85 percent and they are no longer subject to the plan deductible.

KEY DATES

Nov. 7-18

Enroll in your 2012 benefits

Nov. 19-Dec. 30

Check your records at www.HETCOResourceCenter.com. Make corrections online by Dec. 9; make corrections by phone at 1-877-511-4377 until Dec. 30

Jan. 1, 2012

Your 2012 benefit elections take effect

Mid-January 2012

Company contribution is made to your Health Savings Account

Medical Plan

During this Open Enrollment period, you may enroll yourself, your spouse and your eligible dependent children in the Medical Plan. You also may elect to decline medical coverage if, for example, you are covered by another healthcare plan.

To be eligible, a dependent child must be age 26 or younger. Also eligible are dependent children of any age who are unmarried and permanently/totally disabled and unable to support themselves.

Visit www.HETCOResourceCenter.com Nov. 7-18 to review your personal information, see your benefit options and premium information, and enroll in your benefits. Your choices will take effect on Jan. 1, 2012.

What it is

The HETCO Medical Plan provides medical, prescription drug and vision coverage for eligible employees and their family members. By emphasizing healthy living and preventive care, the Medical Plan helps you take charge of your healthcare needs and control your out-of-pocket costs.

How it works

The Medical Plan pays benefits for inpatient hospital care, emergency services, doctor visits, prescriptions, laboratory services and other essential healthcare services.

You get the most value from your Medical Plan when you choose providers that are part of Anthem Blue Cross Blue Shield's extensive network. To find in-network providers or determine if your current providers are in the network, visit www.anthem.com or call 1-800-854-1834.

The Medical Plan covers most preventive care at no cost to you when you use an in-network provider. If you use an out-of-network provider, the first \$500 in preventive care per calendar year is covered at 100 percent. Preventive care includes wellness visits

for children, preventive exams and recommended screenings for adults, and immunizations.

All other medical expenses are subject to the plan deductible.

YOUR HEALTH SAVINGS ACCOUNT

Your Health Savings Account (HSA) lets you set aside pretax dollars to pay for routine medical care, prescription drugs and other qualified medical, dental and vision expenses. You can use your HSA to pay for expenses that are subject to the annual deductible. You can make payments directly to providers using an HSA Master Card you'll receive in early 2012 or you can request an HSA checkbook.

The company will automatically contribute \$750 to your account if you have single coverage and \$1,500 if you cover dependents. The maximum you can contribute is \$2,350 if you have single coverage and \$4,750 if you have one-dependent or family coverage. Your maximum contribution is reduced by the company contribution you receive. Employees age 55 or older may contribute an additional \$1,000.

YOUR CALENDAR YEAR DEDUCTIBLE FOR 2012

	IN-NETWORK	OUT-OF-NETWORK
Employee	\$1,250	\$2,500
Employee plus 1 dependent	\$2,500	\$5,000
Employee plus family	\$2,500	\$5,000

Note: Amounts satisfied toward the In-Network deductible will be applied to the Out-of-Network deductible. Amounts satisfied toward the Out-of-Network deductible will be applied to the In-Network deductible.

YOUR BENEFITS AFTER YOU MEET THE CALENDAR YEAR DEDUCTIBLE

	IN-NETWORK	OUT-OF-NETWORK
UNTIL OUT-OF-POCKET LIMIT IS REACHED		
Plan pays	85%	65%
You pay	15%	35%
AFTER OUT-OF-POCKET LIMIT IS REACHED		
Plan pays	100%	100%
You pay	0%	0%

Note: Payment rates apply to eligible, reasonable and customary charges and negotiated rates.

YOUR CALENDAR YEAR OUT-OF-POCKET LIMIT FOR 2012

	IN-NETWORK	OUT-OF-NETWORK
Employee	\$1,500	\$2,500
Employee plus 1 dependent	\$3,000	\$5,000
Employee plus family	\$3,000	\$5,000

If you haven't yet opened your HSA, visit www.anthem.com or call 1-800-854-1834.. If you don't open your account your company contribution may be delayed.

the cost of your prescriptions. The same benefit applies to medications ordered through the mail order pharmacy, which often offers substantial discounts on medications you take regularly.

YOUR PRESCRIPTION DRUG COVERAGE

The Medical Plan covers preventive generic medicines at 100 percent and preventive brand-name drugs at 85 percent. Preventive drugs include those used to manage diabetes, high blood pressure or high cholesterol, for example.

All other prescription medications are subject to the plan deductible. After the deductible, the plan pays 85 percent of

YOUR VISION COVERAGE

You're automatically entitled to vision coverage when you enroll in the Medical Plan. The benefit covers routine eye exams at 100 percent if an in-network provider is used and the provider notes that the visit is for preventive purposes.

In addition, you will receive a special vision card in 2012 that will entitle you to additional discounts on lenses, frames and contact lenses from a wide array of vision care providers.

Dental Plan

During Open Enrollment, you may enroll yourself, your spouse and your eligible dependent children in the Dental Plan.

To be eligible a dependent child must be age 26 or younger. Also eligible are dependent children of any age who are unmarried and permanently/totally disabled and unable to support themselves.

Visit www.HETCOResourceCenter.com Nov. 7-18 to see your dental benefit options and premium information and enroll in the program.

What it is

The Dental Plan provides preventive, restorative, orthodontic and other dental services for eligible employees and their families. The program is administered by Delta Dental, which has a network of more than 115,000 participating dentists who offer preferred rates and low out-of-pocket costs.



How it works

The Dental Plan pays benefits for a wide range of covered services. You choose any dentist, but your benefits are greater when you use an in-network provider. Visit www.midatlanticdeltadental.com or call 1-800-932-0783 to find an in-network dentist or determine whether your current dentist is in the Delta Dental network. You'll receive a Delta Dental card to make it easy for you to use your benefits.

Preventive care – including checkups and cleanings – are covered at 100 percent of the maximum plan allowance and are not subject to a deductible. You'll pay a portion of the cost for all other covered services, which also are subject to maximum benefit limits.

YOUR DENTAL BENEFITS

	IN-NETWORK	OUT-OF-NETWORK
DEDUCTIBLE	None	\$50 individual/\$150 family
Preventive care	100%	100%
Restorative care	80%	70% (after deductible)
Prosthodontic care	60%	60% (after deductible)
Orthodontic care (up to age 19)	50%	50% (after deductible)
ANNUAL MAX (PER PERSON)	\$2,000	\$1,500
ORTHODONTIC LIFETIME MAXIMUM (PER CHILD)	\$1,500	\$1,500

Insurance Plans

What they are

The company provides Basic Life Insurance and Business Travel Accident Insurance at no cost to you. You may purchase Long Term Disability (LTD) coverage for yourself and Optional Life Insurance for yourself and eligible family members at reasonable rates. These programs are administered by The Prudential Insurance Company of America.

How they work

Coverage and costs are based on your annual benefits pay – your annual base salary or annualized hourly pay (including vacation, holiday and similar pay) plus incentive bonuses, shift differential, overtime pay and commissions received the previous year. Expense allowances, severance pay and other special compensation is excluded.

During Open Enrollment you don't have to provide evidence of insurability, which is normally required to enroll in the LTD program or to sign up for certain levels of Life Insurance coverage.

Visit www.HETCOResourceCenter.com Nov. 7-18 to view all of your insurance options and premium information and to enroll in the Insurance Plans that meet your needs.

INSURANCE PLANS

TYPE	DESCRIPTION
Basic Life	You automatically receive Basic Life coverage equal to your annual benefits pay (rounded up to the nearest \$1,000) at no cost to you. You do not have to enroll in this coverage.
Optional Life	You can purchase additional Optional Life coverage on yourself and you can choose to cover your spouse and dependent children. Visit www.HETCOResourceCenter.com for rates and to enroll.
Long Term Disability (LTD)	LTD coverage replaces a portion of your income if you become totally disabled. Visit www.HETCOResourceCenter.com to see your options, view rates and enroll.
Family Accident	Family Accident Insurance provides benefits if you or a covered family member dies or is dismembered as the result of an accident. Visit www.HETCOResourceCenter.com for rates and to enroll.
Business Travel Accident	You automatically receive Business Travel Accident coverage equal to five times your annual benefits pay, with a minimum benefit of \$100,000 and maximum benefit of \$2,500,000. You do not have to enroll in this coverage.



Savings Plan

You can enroll in the Savings Plan, change your contribution rate and make investment choices anytime during the year. Open Enrollment is a good time to think about your saving goals, assess your progress, check and rebalance your investments, and consider increasing your contribution to the Savings Plan.

Visit www.HETCOResourceCenter.com anytime to enroll, change your contribution rate, change your investment choices or reallocate your account balances.

What it is

The Savings Plan provides you with an opportunity to put money away for retirement. Along with your Retirement Plan, Social Security and other savings and investments, the Savings Plan can help you meet your financial goals and create a secure future for you and your family.



How it works

SAVINGS PLAN

TYPE	DESCRIPTION
Your contribution	You can use convenient payroll deduction to contribute 1-25 percent of your annual benefits pay on a pretax basis, up to a limit established by the federal government.
Company contribution	The company will match your contributions dollar-for-dollar up to 6 percent of your annual benefits pay, up to IRS limits, helping your savings grow even faster.
Catch-up contribution	If you're age 50 or older, you can make an additional "catch-up contribution" in 2012.
Vesting	You're immediately vested in the value of your contributions, the company contributions and any earnings.
Investment options	You can invest your savings, the company match and any earnings in one or a combination of 17 investment and 10 target date maturity funds managed by leading fund managers.
Making changes	You can change your contribution rate, choose different investments and reallocate your portfolio online anytime you want.

Employee Assistance Program

What it is

The Employee Assistance Program (EAP) is a confidential program that helps you find the services, referrals and support you need to address a wide range of work, family and personal issues. The plan is administered by Anthem Blue Cross Blue Shield.

How it works

EAP counselors are available around the clock to help employees and family members deal with such issues as

job stress, conflicts at work, family problems, legal issues, emotional issues and financial worries. All contact with EAP counselors is held in the strictest confidence. No personal information is ever provided to the company.

Phone calls and up to eight outpatient counseling sessions per calendar year are covered in full.

You and all eligible family members are automatically enrolled in the Employee Assistance Program when you enroll in the Medical Plan.

Visit www.anthemeap.com and enter HETCO to learn more about the EAP and its features. Call 1-800-865-1044 to reach a counselor, 24 hours a day, seven days a week.

QUALIFIED LIFE EVENTS

Open Enrollment is the only time you can enroll in the Medical Plan or Dental Plan, unless you experience a qualified life event. Common qualified life events include changes in marital status, change in the number of dependents, loss of healthcare coverage from another source and change in employment status for a spouse.

Changes must be made within 30 days of a qualified life event occurring.

To report a life event visit www.HETCOResourceCenter.com or call 1-877-511-4377, M-F, 8 a.m.-8 p.m. Eastern.



LEGAL NOTICES

As a participant in the Medical Plan, you are entitled to information regarding your prescription drug coverage and Medicare as well as your benefits regarding breast reconstructive surgery after a mastectomy. Please see the Summary Plan Description (SPD) for more detailed information on these benefits.

GRANDFATHERED STATUS OF CORPORATE MEDICAL PLAN

This Group Health Plan believes this Corporate Medical Plan is a “grandfathered health plan” under the Patient Protection and Affordable Care Act (the Affordable Care Act). As permitted by the Affordable Care Act, a grandfathered health plan can preserve certain basic health coverage that was already in effect when that law was enacted. Being a grandfathered health plan means that your plan may not include certain consumer protections of the Affordable Care Act that apply to other plans, for example, the requirement for the provision of preventive health services without any cost sharing. However, grandfathered health plans must comply with certain other consumer protections in the Affordable Care Act, for example, the elimination of lifetime limits on benefits.

Questions regarding which protections apply and which protections do not apply to a grandfathered health plan and what might cause a plan to change from grandfathered

health plan status can be directed to the plan administrator at:

Employee Benefit Plans Committee
HETCO
One Hess Plaza
Woodbridge, NJ 07095

You may also contact the Employee Benefits Security Administration, U.S. Department of Labor at 1-866-444-3272 or

<http://www.dol.gov/ebsa/healthreform/>.

WOMEN’S HEALTH AND CANCER RIGHTS ACT

If you receive plan benefits in connection with a mastectomy, you are entitled to coverage for the following under the Plan:

- Reconstruction of the breast on which the mastectomy was performed;
- Surgery and reconstruction of the other breast to produce a symmetrical appearance;
- Protheses and treatment for physical complications for all stages of a mastectomy, including lymphedemas (swelling associated with the removal of lymph nodes).

The Plan will determine the manner of coverage in consultation with you and your attending doctor. Coverage for breast reconstruction and related services will be subject to deductibles and co-insurance amounts that are consistent with those that apply to other benefits under the Plan.