

Medical Benefits Changes:

First, nurses will maintain their existing plans with the existing premiums until April, 2017, when there will be an open enrollment period to choose from new medical plans. The current existing plans are the: Basic Plan, the Preferred Plan and the Preferred Plus Plan. The vast majority (over 80%) of nurses are enrolled in the Preferred Plan.

In April, 2017, the Basic Plan and the Preferred Plus Plan will be discontinued. The Preferred Plan will be replaced by the Classic PPO Plan. Please note that the Classic PPO Plan provides the SAME BENEFITS (deductibles, copays, coinsurance, out-of-pocket maximums, etc.) as the current Preferred Plan. As noted in the previous contract summary, the premiums will be a little higher. So, in April, 2017, the vast majority of nurses (i.e., those currently enrolled in the Preferred Plan), can choose to have the same benefits as before, but will pay a little more in premiums. Please note that the premiums for the Preferred Plan have not increased at all since at least 2012, which is quite unheard of in today's insurance environment.

Also note that nurses enrolled in the Classic PPO Plan will receive a \$20 per month reduction in their premiums if they meet the annual Wellness Plan goals.

The second plan that will be offered in April, 2017, will be the Consumer-Directed Health Plan (CDHP). This plan will have higher deductibles (\$1,500/\$3000) than the Classic PPO Plan (\$300/\$600) and other higher costs, but will have lower premiums. Nurses enrolled in the CDHP Plan will may be eligible to set up a tax-free Health Savings Account (HSA) which can be used for qualified health expenses. [The law does not allow nurses who enroll in the Classic PPO Plan to have an HSA account.] The Hospital will contribute \$750 into the HSA for nurses enrolled in employee-only coverage under the CDHP Plan. For nurses enrolled in the CDHP Plan with family coverage, the Hospital will contribute \$1,500 into the HSA account. Nurses enrolled in employee-only coverage under the CDHP Plan may contribute up to \$2,600 into their HSA. Nurses enrolled in the CDHP Plan with family coverage may contribute up to \$5,250 into their HSA.

Finally, beginning in April, 2017, nurses who have a spouse enrolled as dependent in either the Classic PPO Plan or the CDHP Plan and whose spouse is eligible for coverage through his or her own employment will have to pay a spousal surcharge of \$150 per month. Spousal surcharges are becoming a common component of health insurance and are intended to reduce the overall cost of providing insurance to all employees.

If you would like more details of the plans offered until April, 2017, or the new plans offered after that, please contact Human Resources who can provide you with the plan documents (which may have already been provided to you).