

# Open Enrollment

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Arctic Slope Regional Corporation  
Information and Instructions for Employees



2014 Benefits



## Letter from Charlie Kozak

Dear ASRC Family Member:

Arctic Slope Regional Corporation (ASRC) is in the process of making significant changes to our benefits plans, and it is important that you review your options during the 2014 Benefits Enrollment Period. There have been major changes in the health care laws that mandate certain types of coverage under the Affordable Care Act. These changes have impacted the health care market, and we have designed our new programs to comply with these mandates. This packet will provide you with information on the recent law changes, new benefits options, and funding options. The enrollment period is **time sensitive**.

ASRC invites you to review the information, make informed decisions about your current and future coverage, and make changes to your benefits during the Benefits Enrollment Period of **November 1-30, 2013**.

Providing competitive compensation and benefits to every employee is critical as we strive to achieve the goals established by the board of directors in the 2012-2017 Strategic Plan. We are very excited by the programs offered this coming year. This is a fresh approach that provides meaningful and affordable benefits to you and your family, while balancing the rising cost of health care to ASRC and throughout the country.

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Enjoying life  
is being healthy.

ASRC is offering three Medical Plan options for 2014:

- **The Bronze Plan** (a new high deductible plan for 2014)
- **The Silver Plan** (previously known as the CDHP Plan)
- **The Gold Plan** (previously known as the PPO 500 Plan)

Please note that we have **discontinued** the PPO 1000 Plan.

We will continue to offer competitive Dental, Vision, Voluntary Life and AD&D insurance to address your health needs. As stated earlier, this packet is designed to help you understand your choices, costs, and ways to fund your expenses.

Please take some time to review and make changes to your plan to fit your needs. Remember, the enrollment period is from **November 1-30, 2013**.

We look forward to a very successful and healthy 2014 for you, your family and all of our employees.

Quyanaqpak,  
ARCTIC SLOPE REGIONAL CORPORATION

  
Charlie Kozak  
EVP, Chief Financial Officer



# Executive Summary of Changes

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ASRC continues to offer a competitive and comprehensive benefits program. However, to keep our programs cost-effective while still providing you and your family the quality services you need, several changes have been made to your benefits for 2014. Some of the changes are directly related to new requirements mandated by the federal government after the passage of the Patient Protection and Affordable Care Act of 2010, also known as “Health Care Reform” (HCR). Other changes are designed to improve the alignment of benefits plans for all Alaska and Lower 48 employees across all companies in all states.

Other changes include the eligibility of employees for benefits. Overall employee and company costs are increasing due to inflation, high claims costs and the impact of Health Care Reform.



## Changes

The following list summarizes the major changes to our plans starting on January 1, 2014:

- Employee premiums will increase
- The PPO 1000 plan will be eliminated. You must enroll in another health plan if you want coverage in 2014
- A Bronze Plan will be added. However, it does not include a Health Savings Account (HSA)
- **Alaska**
  - Flat dollar physician office visit co-pays apply only to the new Bronze plan
- **Other States**
  - Flat dollar physician office visit co-pays are being replaced with a percentage for cost of services rendered after deductible
- Employee costs are increasing slightly for generic drugs
- Employee costs for brand-name drugs will be based on a percentage of the drug cost, rather than a fixed dollar amount
- Benefit waiting periods will change to the first of the month following 30 days of service for all employee groups except for retail and craft employees, who will be eligible the first of the month following 60 days of service\*
- Benefits will be discontinued when employment ends rather than at the end of the month\*

\* Unless specified by another agreement related to employment, e.g. a collective bargaining agreement.



## Patient Protection and Affordable Care Act (PPACA) Summary

The federal government's introduction of the Patient Protection and Affordable Care Act (PPACA), commonly known as the Affordable Care Act, has reshaped the way individuals and companies must think about health insurance. Essentially, the regulations add complexity and costs to everyone who is insured in order to make health care available to everyone. For ASRC, it means increasing company health care costs by nearly 10 percent.

Beginning in 2014, most individuals will be required to maintain at least minimum participation in a medical plan for themselves and their dependents up to age 26. If they do not have insurance, they will be considered non-compliant and required to pay an IRS penalty. Some individuals may be exempt from the mandate or the penalty, while others may be eligible for coverage under certain government-sponsored plans.

### Overview of Individual Mandate

ASRC employees regularly working more than 30 hours per week are required by the federal government to be covered by a health care plan in 2014. If an eligible employee chooses to participate in another qualified health plan, they are not obligated to enroll in an ASRC plan. All three of the medical plans offered by ASRC in 2014 will satisfy the Affordable Care Act's individual mandate. Participation in any of the following should also satisfy the individual mandate requirement:

- Plans offered directly by insurance companies in the public market (also known as public exchanges)
- State health benefits plans (including Medicaid)
- Department of Defense (DOD) TRICARE program
- Department of Veterans Affairs (VA) health care system

You can learn more about Health Care Reform and the public exchange which may be available to you as well as the products and pricing of coverage at: [www.ASRC.hcsmadesimple.com](http://www.ASRC.hcsmadesimple.com) or [www.healthcare.gov](http://www.healthcare.gov).

## Potential Penalties

For 2014, the federal penalty for non-compliance is the greater of \$95 per uninsured person or 1 percent of household income based on federal income tax levels. The maximum penalty can be as high as the average cost of buying coverage available in a public exchange. Penalties are reduced or eliminated for people under 18 years of age or those in the following groups:

- Enrolled members of Indian tribes or shareholders of an Alaska Native Corporation
- People who have income below the federal income tax filing threshold
- People who were covered by a plan but had short gaps of coverage of less than three months during the year
- Those who have received a hardship waiver from the federal government; are residing outside of the United States; or are bona fide residents of any possession of the United States

The information provided above is not intended to be a comprehensive guide about the Affordable Care Act, but ASRC wants you to generally be aware of key issues you need to consider as you complete your 2014 benefits enrollment. You can learn more about Health Care Reform at [www.ASRC.hcsmadesimple.com](http://www.ASRC.hcsmadesimple.com) or [www.healthcare.gov](http://www.healthcare.gov).

The information contained in this document regarding health care reform is current through 9/1/2013. There continues to be potential changes in HCR legislation.

# Benefit Options

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Our benefits program provides you the choice and flexibility to select appropriate benefits for you and your family. The following pages include information to help you understand the benefit options available to you, and to help you make informed benefit selections.

This benefit guide includes helpful information about medical, dental, vision and voluntary life and AD&D Insurance.

You have the flexibility to elect different tiers of coverage for medical, dental and vision. For example, you can elect medical for your entire family and dental only for yourself. Remember, for each plan you choose, you need to elect your coverage tier separately. Your payroll deduction costs for each coverage tier are shown on the *Rate Sheet* included in the enrollment packet.





## Medical

ASRC's medical plans offer you an array of benefits coverage, including the:

- **Bronze Plan:** Satisfies individual mandate specified in ACA through coverage with low per-paycheck costs and more out-of-pocket costs
- **Silver Plan:** Previously known simply as the Consumer Driven Health Plan (CDHP). It offers a Health Savings Account (HSA) to most of our employees
- **Gold Plan:** A traditional preferred provider network where your per-paycheck costs are highest

## Medical Plan Comparison Guide

	BRONZE	SILVER		GOLD
	PPO Provider	PPO Provider	Non-PPO Provider	PPO Provider
Annual Deductible	\$2,500 Per Person	\$1,500 Per Person	\$3,000 Per Person	\$500 Per Person
	\$5,000 Per Family	\$3,000 Aggregate Family	\$6,000 Aggregate Family	\$1,500 Per Family
Annual Out-of-Pocket Maximum Includes deductible	\$6,250 Per Person	\$4,000 Per Person	\$7,750 Per Person	\$2,500 Per Person
	\$12,500 Per Family	\$9,000 Aggregate Family	\$17,750 Aggregate Family	\$7,500 Per Family
Per Pay Check Cost	Low	Medium		High
Health Savings Account (see pg. 23)	Does not apply	ASRC contributes money to assist with expenses for most employees if enrolled with a HSA		Does not apply

All of our medical plans are self-funded, which means all expenses are paid with company and employee money. All plans link to the Blue Cross Blue Shield network, the most comprehensive national and worldwide preferred provider network available. Premera Preferred providers offer the best discounts and can be located at [www.premera.com](http://www.premera.com). Once you begin participation in one of our health care plans, you can register to view claims, order prescriptions and get identification cards. It is important to contact Premera Blue Cross for pre-authorization when scheduling hospitalization, surgical procedures and complex imaging to ensure great service and pricing.

The following table provides an overview of the various coverage levels available in the three medical plans offered to you by ASRC.

## Medical Plan Comparison Guide

Medical Service	Bronze		Silver		Gold	
	PPO Provider	PPO Provider	Non-PPO Provider	PPO Provider	Non-PPO Provider	Alaska Plan
Annual Preventive Care Routine physical Routine GYN CDL Exams Well child check up Immunizations Routine Mammograms Pap Smears PSA Test Lab/X-Ray Services	100% if PPO  50% if Non-PPO  Deductible does not apply	100%	60% Deductible does not apply	100%	60% Deductible does not apply	100% if PPO  80% if Non-PPO  Deductible does not apply
Physician Office Visit	\$35 co-pay if PPO  50% after deductible if Non-PPO	80% after deductible	60% after deductible	80% after deductible	60% after deductible	80% after deductible
Specialist Visit	\$35 co-pay if PPO  50% after deductible if non-PPO	80% after deductible	60% after deductible	80% after deductible	60% after deductible	80% after deductible

Note: Residents of Alaska will find their coverage information for the Gold plan in the "Alaska Plan" column.

[continued >](#)

## Medical Plan Comparison Guide (continued)

Medical Service	Bronze		Silver		Gold	
	PPO Provider	PPO Provider	Non-PPO Provider	PPO Provider	Non-PPO Provider	Alaska Plan
Outpatient Hospital Care	50% after deductible	80% after deductible	60% after deductible	80% after deductible	60% after deductible	80% after deductible if PPO 60% after deductible if Non-PPO
Inpatient Hospital Care	50% after deductible	80% after deductible	60% after deductible	80% after \$250 co-pay plus deductible	60% after \$250 co-pay plus deductible	80% after \$250 co-pay plus deductible if PPO 60% after \$250 co-pay plus deductible if Non-PPO
Emergency Room (co-pay waived if admitted)	50% after \$200 co-pay plus deductible	80% after deductible		80% after \$100 co-pay plus deductible		
Non-Emergent Care	50% after \$200 co-pay plus deductible	60% after \$100 co-pay plus deductible		60% after \$100 co-pay plus deductible		
Diagnostic Laboratory and X-Ray Services	50% after deductible	80% after deductible	60% after deductible	100%	60% after deductible	80% deductible waived

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## Medical Plan Comparison Guide (continued)

Medical Service	Bronze		Silver		Gold	
	PPO Provider	PPO Provider	Non-PPO Provider	PPO Provider	Non-PPO Provider	Alaska Plan
Outpatient Physical, Speech and Occupational Therapy	50% after deductible	80% after deductible	60% after deductible	80% after deductible	60% after deductible	80% after deductible
Allergy Injections and Serum	50% after deductible	80% after deductible	60% after deductible	80% after deductible	60% after deductible	80% after deductible
Complex Imaging Services MRI, CT Scan (may require pre-authorization)	50% after deductible	80% after deductible	60% after deductible	80% after deductible	60% after deductible	80% after deductible
Chiropractic Care (limited to 16 visits per calendar year)	50% after deductible	80% after deductible	60% after deductible	80% after deductible	60% after deductible	80% after deductible
Hearing Aids (limited to 2 devices every 36 months)	50% after deductible	80% after deductible		80% after deductible		
Alternative Medicine (limited to 16 visits per calendar year)	50% after deductible	80% after deductible		80% after deductible		
Home Health Care (limited to 130 visits per calendar year)	50% after deductible	80% after deductible		80% after deductible		

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## Medical Plan Comparison Guide (continued)

Medical Service	Bronze		Silver		Gold	
	PPO Provider	PPO Provider	Non-PPO Provider	PPO Provider	Non-PPO Provider	Alaska Plan
Hospice Care	50% after deductible	80% after deductible			80% after deductible	
Skilled Nursing Facility (limited to 120 days per calendar year)	50% after deductible	80% after deductible			80% after deductible	
Ambulance	50% after deductible	80% after deductible			80% after deductible	
Outpatient Mental Health and Substance Abuse	50% after deductible	80% after deductible	60% after deductible	80% after deductible	60% after deductible	80% after deductible if PPO 60% after deductible if Non-PPO
Inpatient Mental Health and Substance Abuse	50% after deductible	80% after deductible	60% after deductible	80% after \$250 co-pay plus deductible	60% after \$250 co-pay plus deductible	80% after \$250 co-pay plus deductible if PPO 60% after \$250 co-pay plus deductible if Non-PPO

## Prescription Benefits

Our Medical Plans include coverage for prescription drugs and allow access to a nationwide network of more than 60,000 retail pharmacies. Your prescription benefits depend on the medical plan you select. You can save money based on your choices for the types of drugs you choose, as well as the type of delivery service through your local pharmacy or mail delivery. Generic drugs account for 75% of prescriptions and will continue to be a fixed-dollar amount, increasing slightly to \$17, except for drugs that cost less than \$17. If you choose to use brand-name prescription drug costs, your costs will be based on a percentage of the drug costs. You can learn more about the drug choices available to you and their costs through the Premera website at: [www.premera.com](http://www.premera.com).

## Prescription Cost Comparison Guide

	Bronze	Silver	Gold
<b>Retail Pharmacy</b> (Up to a 30-day supply)			
Generic Drugs	\$17 Co-pay	\$17 Co-pay after deductible	\$17 Co-pay
Preferred Brand Drugs	30% Co-pay	30% Co-pay after deductible	30% Co-pay
Non-Preferred Brand Drugs	50% Co-pay	50% Co-pay after deductible	50% Co-pay
<b>Mail Order Pharmacy</b> (Up to a 90-day supply)			
Generic Drugs	\$34 Co-pay	\$34 Co-pay after deductible	\$34 Co-pay
Preferred Brand Drugs	30% Co-pay x 2 of retail cost	30% Co-pay x 2 of retail cost after deductible	30% Co-pay x 2 of retail cost
Non-Preferred Brand Drugs	50% Co-pay x 2 of retail cost	50% Co-pay x 2 of retail cost after deductible	50% Co-pay x 2 of retail cost

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## Prescription Cost Comparison Guide (continued)

	Bronze	Silver	Gold
<b>Specialty Pharmacy</b> (self-injectable)	You pay 40% of the cost up to a maximum of \$125	You pay \$75 after you have satisfied your deductible	You pay 40% of the cost up to a maximum of \$125
<b>All Prescription(s) out of network</b>	You pay 40% after deductible	You pay 40% after deductible	You pay 40% after deductible
<b>Preventive Drug Coverage under Affordable Care Act</b>	Covered in full	Covered in full	Covered in full
<b>Preventive Drug Coverage for CDHP (for heart disease and diabetes)</b>	Not Applicable	No Charge for qualified Generic Drugs (see <a href="http://www.premera.com">www.premera.com</a> )	Not Applicable

## Prescription Delivery Method Comparison Guide

	Retail Pharmacy Prescriptions	Mail Order Prescriptions
<b>Maximum Dispensing Amount</b>	30 days	90 days
<b>Convenience</b>	Pick up at retail pharmacy	Delivered straight to your home
<b>Availability</b>	Immediately	Usually takes two weeks for first delivery, but afterward prescriptions are mailed on a regular frequency
<b>Cost</b>	You pay one cost for a 30 day supply	Three months for the price of two months

## Dental Benefits

ASRC offers quality dental services through United Concordia. Separate from the medical plan, United Concordia offers flexible dental benefits backed by excellent customer service and over 35 years of experience in dental insurance.

The two dental plan options available to you are:

**Concordia Preferred:** The Concordia Preferred plan provides the most coverage when you see a preferred provider. Make sure to check for preferred providers in your area before selecting this plan. Dental benefits are limited and orthodontia is not covered if you see a non-PPO provider.

**Concordia Flex:** The Concordia Flex plan provides the same level of coverage for preferred and non-preferred providers. This may be the best plan for you if there are no preferred providers in your area or if you want to see a non-preferred provider. Remember, if you choose to see a non-preferred provider, you will be responsible for any charges above reasonable and customary limits.

## Dental Cost and Coverage Comparison Guide

	Concordia Preferred		Concordia Flex
	PPO Provider	Non-PPO Provider	PPO or Non-PPO Provider
<b>Deductible Per Person</b>	\$50	\$50	\$50
<b>Deductible Per Family</b>	\$150	\$150	\$150
<b>Annual Limit (per person)*</b>	\$2,000	\$1,250	\$2,000
<b>Orthodontia Lifetime Limit (per person)</b>	\$4,000	Not covered	\$4,000

\* Combined preventive, basic and major services. If your treatment is expected to exceed more than \$500, your dentist will need to check with United Concordia to verify your procedure will be covered.

[continued >](#)



## Dental Cost and Coverage Comparison Guide (continued)

The amounts shown in each cell indicate the amount and/or percentage that ASRC pays for the service, along with any interaction of deductibles that may apply for the plan or coverage.

	Concordia Preferred		Concordia Flex
	PPO Provider	Non-PPO Provider	PPO or Non-PPO Provider
<b>Preventive and Diagnostic Services</b> Two routine cleanings and exams per calendar year Deductible waived	100% coverage	80% coverage	100% coverage
<b>Basic Services</b> Fillings, extractions, space maintainers, periodontics, endodontics, repairs of bridges and dentures	80% coverage after deductible	60% coverage after deductible	80% coverage after deductible
<b>Major Services</b> Inlays, onlays, crowns, bridges & dentures, surgical periodontics	80% coverage after deductible	60% coverage after deductible	80% coverage after deductible
<b>Orthodontia Services</b>	80% coverage after deductible	Not Covered	80% coverage after deductible

United Concordia offers a strong Dentist Network. You can locate providers on the United Concordia website at [www.ucci.com](http://www.ucci.com) by clicking on the “Find a Dentist” link and selecting the “Advantage Plus” network option. The site allows you to search network dentists by specialty, city, last name, zip code, distance to a certain zip code, or county.

Once you begin participating in our dental plan, you can register for “My Dental Benefits” to allow you secure access to benefits, claim details, procedure history, deductible accumulations, printable ID cards and more services.

## Vision Benefits

ASRC offers quality vision coverage through Vision Service Plan (VSP). Your choice to participate in the vision plan is separate from the medical plan. If you choose to participate, you can enroll your dependents as well. VSP is one of the nation's most complete eye-care plans.

## Vision Cost and Coverage Comparison Guide

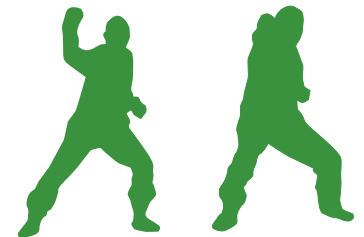
	VSP Provider	Non-VSP Provider
<b>Co-Pay</b>	\$20 once every calendar year	None
<b>WellVision Annual Exam®</b>	Covered in full after the co-pay once every calendar year	Covered up to \$43 once every calendar year
<b>Lenses</b>	Single lenses, lined bi-focal lenses, tri-focal, and progressive lenses are covered after the co-pay once every calendar year	Single vision lenses covered up to \$26 once every calendar year  Lined bifocal lenses covered up to \$43 once every calendar year  Lined trifocal lenses and progressive lenses covered up to \$60 once every calendar year
<b>Frames</b>	Covered up to \$175 once every twenty-four months	Covered up to \$40 once every twenty-four months
<b>Contact Lens Exam Fitting &amp; Evaluation</b>	Standard and Premium fit: Covered in full, not to exceed \$60 co-pay	Combined with Elective Contacts allowance noted below
<b>Elective Contacts (in lieu of glasses)</b>	Covered up to \$130 once every calendar year	Covered up to \$100 once every calendar year

## Discounts Available through Vision Services Plan (VSP)

Extra discounts and savings are also available by participating in the vision plan.

Service/Appliance	Discount
<b>Glasses &amp; Sunglasses</b>	<ul style="list-style-type: none"><li>• 20-25% off all non-covered lens options such as tinting, scratch coating, and UV protection</li><li>• 20% off additional glasses &amp; sunglasses, including lens options, from a VSP doctor within 12 months of your last WellVision Exam</li></ul>
<b>Laser Vision Correction</b>	<ul style="list-style-type: none"><li>• 15% off regular price or 5% off any promotional price from providers in the VSP network Laser Correction facilities</li></ul>

You can get the best value from your vision benefit when you visit a VSP network doctor. You are usually able to take advantage of greater benefits and pay less out-of-pocket when you visit an in-network doctor. Using your vision service plan is easy - no identification card is required. Once you begin participating in our vision plan, you can utilize your VSP benefits easily by finding a VSP doctor at [www.vsp.com](http://www.vsp.com). When making an appointment, tell the doctor you are a VSP member.



## Voluntary Life and AD&D Insurance

Voluntary Life and AD&D (accidental death & dismemberment) insurance options are available to you as part of ASRC's comprehensive benefits package to enhance your financial health in the event of a life-changing event. You can purchase coverage for yourself and your dependents. Both plans are 100 percent paid by you through payroll deductions. You must purchase coverage for yourself in order to purchase benefits for your dependents.

## Voluntary Term Life Insurance

### Voluntary Term Life Coverage Amount Options

<p><b>Employee Life</b></p>	<ul style="list-style-type: none"> <li>• Up to 5 times your salary in increments of \$10,000, not to exceed the lesser of 5x annual earnings or \$500,000</li> </ul>
<p><b>Spouse Life</b></p>	<ul style="list-style-type: none"> <li>• Up to 100% of employee amount in increments of \$10,000, not to exceed \$500,000</li> </ul>
<p><b>Child Life</b></p>	<ul style="list-style-type: none"> <li>• \$10,000 benefit</li> <li>• Maximum death benefit for a child between the ages of live birth and 6 months is \$1,000</li> </ul>
<p><b>Evidence of Insurability (EOI)</b></p>	<ul style="list-style-type: none"> <li>• You will be required to provide evidence of insurability if: 1) you increase coverage over the guarantee issue amounts greater than \$200,000 for you or \$50,000 for your spouse or 2) you add coverage outside your initial enrollment period upon hire, for you or your eligible dependents</li> </ul>
<p><b>Additional Features</b></p>	<ul style="list-style-type: none"> <li>• This insurance offers an "Accelerated Benefit" where you can receive 50% of the value of your benefit if you are diagnosed with a terminal disability</li> <li>• If you become permanently disabled, waiver of premium is available</li> <li>• It is possible to continue your eligibility for this insurance regardless of employment with the company</li> </ul>

## Voluntary Accidental Death & Dismemberment Insurance (AD&D)

Voluntary AD&D Coverage Amount Options	
<b>Employee AD&amp;D</b>	<ul style="list-style-type: none"><li>• Up to 5 times your salary in increments of \$10,000, not to exceed the lesser of 5x annual earning or \$500,000</li></ul>
<b>Spouse AD&amp;D</b>	<ul style="list-style-type: none"><li>• Up to 100% of employee amount in increments of \$10,000, not to exceed \$500,000</li></ul>
<b>Child AD&amp;D</b>	<ul style="list-style-type: none"><li>• \$10,000 benefit</li><li>• Maximum death benefit for a child between the ages of live birth and 6 months is \$1,000</li></ul>
<b>Additional Features</b>	<ul style="list-style-type: none"><li>• It is possible to continue your eligibility for this insurance regardless of employment with the company</li></ul>

### Beneficiaries

Make sure to review and update your beneficiaries during enrollment.

Note: Spouse and child benefits are automatically paid to the employee.

### Coverage Effective Date Delays

Coverage will be delayed if you are not in active employment because of an injury, sickness, temporary layoff, or leave of absence on the date that coverage would otherwise become effective. Coverage for infants begins upon live birth. Other dependents' coverage will be delayed if the dependent is totally disabled on the date coverage would otherwise be effective.

### Reduction in Benefits

If you become insured at or reach age 70 or age 75 there will be a reduction in benefits. Once you reach age 70, your coverage is reduced to 65% of initial value. Upon age 75, your coverage is reduced to 50% of initial value.

### How Much Does Voluntary Life and AD&D Cost?

Refer to the Voluntary Life and AD&D rates that are located on the back of the enclosed rate sheet.

# Funding Options

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- Out of Pocket
- HSA
- Flex Accounts



Three options exist for paying for your medical, dental and vision coverage – out of pocket, Health Savings Accounts (HSAs) or Flex Accounts.

## Health Savings Accounts (HSAs)

Health Savings Accounts (HSAs) allow employees who enroll in the ASRC Silver Medical Plan to set aside money on a pre-tax basis to pay their current or future qualified health care expenses. Employee contributions to the HSA are made with pre-tax dollars through payroll deductions, which reduces your taxable income and saves you money. You never pay taxes on withdrawals for qualified health care expenses. Your money earns interest and you do not pay taxes on the interest earned. You choose the amount you want to contribute to your account, up to the 2014 annual limit:

	<b>Employee Annual Contributions</b>	<b>ASRC Annual Contributions</b>
<b>Individual</b>	\$3,300	\$500 annual contribution (paid monthly)
<b>Family</b>	\$6,550	\$1,000 annual contribution (paid monthly)
<b>Age 55 &amp; older</b>	Additional \$1,000 allowed	Not Applicable

### You must meet the following requirements to be eligible for a HSA:

- Enroll in the ASRC Silver Medical Plan (previously known as our CDHP)
- Not be covered by any other health coverage except those permitted by the IRS (see IRS Pub. 969)
- Not be enrolled in a Medical Flex Account, Medicare, TriCare or Medicaid
- Be eligible for Veterans Administration or Indian Health Services and have not used those services, except for permitted services in the past three months you may be eligible
- Not be claimed as a dependent on the federal tax return of another person

## Health Savings Account Usage and Benefit Example

Sam is a healthy employee with the exception of an occasional sports injury. Sam chose to enroll in the “employee only” tier of the new, lower-cost “high deductible” Consumer Driven Health Plan (CDHP) introduced by ASRC during the benefit enrollment period for 2013. The CDHP had a \$1,500 individual deductible, provided 80% co-insurance for most in-network services, and included a Health Savings Account (HSA) with a \$500 contribution from ASRC, as well as contributions by Sam.

Sam was enrolled in the “PPO 250” plan in 2012, so when he chose to enroll in the CDHP, Sam also decided to put \$1,000 of the difference between the former 250 PPO plan premium cost and the new, lower-cost CDHP (roughly \$1,638 per year) into his new HSA. The chart below illustrates how HSA contributions and benefits work for an enrollee like Sam as a result of enrolling in the CDHP, which is labeled the Silver plan for the 2014 benefit enrollment.

	2013	2014	Future
<b>HSA Contributions:</b>			
• ASRC’s contribution to HSA	\$500	\$500	Sam can continue to contribute to the HSA on a pre-tax basis and use HSA money for qualified medical expenses
• Sam’s contribution to HSA (1)	\$1,000	\$1,000	
• Carryover from prior year	<u>\$0</u>	<u>\$1,160</u>	
Total account balance	\$1,500	\$2,660	
<b>Sam’s medical care and expense during the year:</b>			
• Preventive care paid 100%	\$0	\$0	Any leftover HSA balance will accumulate in the account year after year
• Sport medicine specialist	\$160	\$160	
• Prescriptions	<u>\$180</u>	<u>\$200</u>	
Total medical expense applied to deductible	\$340	\$360	
Sam uses HSA to pay medical expense	\$340	\$360	
HSA balance at year end	\$1,160	\$2,300 (2)	

(1) HSA contributions are pre-tax so Sam also saved on taxes (not included here)

(2) HSAs earn interest once the balance exceeds \$2,000, and withdrawals for qualified expenses are tax-free

Access the Interactive Enrollment Comparison Tool at [www.healthequity.com/ASRC](http://www.healthequity.com/ASRC) to create your own illustration and compare benefit plans.



## HSA advantages

- Rolls over from year to year
- You may choose how to invest your money in excess of \$2,000 in a variety of mutual funds
- Your contributions are tax-free and reduce your overall taxable income
- You usually do not pay taxes on withdrawals for qualified health care expenses (under federal law and in most states)
- Your money earns interest and you don't pay taxes on the interest earned (under federal law and in most states)
- Your HSA money remains available to you to pay for qualified health care expenses even if you go to another employer or retire

## Health Care expenses qualified to be paid with HSA money include:\*

- Medical deductible, co-pays and co-insurance, as well as qualified expenses not covered under your medical plan
  - Dental expenses and co-pays not covered by your dental plan
  - Vision co-pays as well as eye glasses, contact lenses or eye doctor appointments not covered under your vision care plan
  - Prescription expenses, co-pays and prescribed over-the-counter drugs
- \*A complete listing of qualified expenses is available at [www.healthequity.com](http://www.healthequity.com) or in IRS Publication 502 - Medical and Dental Expenses.

## Who manages my HSA?

You manage your HSA through HealthEquity, an organization that provides record keeping services for our HSA. You can visit [www.healthequity.com/asrc](http://www.healthequity.com/asrc) to access HealthEquity's education website for frequently asked questions, online videos and tutorials.

## Using your HealthEquity HSA payment card

ASRC employees who elect to participate in the HSA will receive a HealthEquity Visa® Health Account Card in the mail following enrollment. This card is issued by "The Bancorp Bank" pursuant to a license from Visa U.S.A. Inc. The Bancorp Bank; Member FDIC. You can pay for qualified HSA expenses with this card, which pulls funds directly from your account at participating retailers and health care providers. You can check your available account balance online. Your first three cards are free (e.g. for your spouse or replacement card). Simply contact HealthEquity Member Services or login to your member portal to request additional cards. Please note that you should keep your HSA card. You will not receive a new card annually.



### How does an HSA work?

- When you enroll, you choose the amount to contribute, up to the annual maximum
- You have the flexibility to make changes throughout the year. Your election continues as long as you are eligible and/or you make a change to your contribution
- Your contribution is deducted from your pay before taxes
- Your employer contribution is added to your account on a monthly basis
- When you incur a qualified health care expense and you have an available balance, you can use your HSA card at participating retailers. You can also pay providers and reimburse yourself online
- You are reimbursed for qualified expenses according to the rules of the plan
- Always save your receipts or upload them to the member portal, as the IRS may require your expense distributions to be verified

### Once enrolled, you can access the member portal at [www.myhealthequity.com](http://www.myhealthequity.com) to:

- Learn about qualified expenses
- Pay providers and review claim status
- Check your current HSA balance
- Access health and wellness resources
- Use the health and prescription pricing tools
- Contribute to your HSA account
- Complete the required beneficiary designation

### The HealthEquity Mobile app can help you:

- Access your account
- Add claims
- Upload documentation via your phone's camera
- Send payments and reimbursements
- Manage card transactions
- View your claim status

For more information about eligibility rules contact your tax adviser or HealthEquity at [www.healthequity.com](http://www.healthequity.com).

## Medical and Dependent Care Flex Accounts

Medical and Dependent Care “Flex” Accounts (formerly known as FSAs) can make a big difference in your cash flow. ASRC offers these accounts to most employee groups to help smooth out the impact of medical service costs, dependent care and to reduce taxes. Eligible participants can elect to set aside money on a pre-tax basis into one or both of these special accounts in 2014. The money accumulated in these accounts is used throughout the year to reimburse yourself for qualified out-of-pocket medical expenses or work-related dependent care expenses. Because the money is transferred to your Medical or Dependent Care Flex Account before federal income taxes or Social Security taxes are withheld, you pay fewer taxes while saving money to pay for qualified expenses. Every year, you can choose the amount you want to contribute to your account(s), up to an annual limit. The maximum amounts you are able to set aside in 2014 are:

<b>Medical Flex Account</b>	up to \$2,500
<b>Dependent Care Flex Account</b>	up to \$5,000 or \$2,500 if married and filing separate tax returns

The minimum annual contribution for both Flex accounts is \$150. You must enroll in these accounts every year to continue participating in these programs. Flex election amounts are effective for one calendar year.

### Who is eligible to participate in these plans?

- Any eligible employee whose company offers these benefits. The benefits will be available in your enrollment system if it is applicable to your company
- If you are participating in the HSA plan, you may **not** enroll in the Medical Flex Account; however, you may enroll in the Dependent Care Flex account

### How Flex accounts work?

- When you enroll, you choose how much to contribute to the account, up to the maximum allowed for the year
- Your contribution is taken from your pay before taxes
- When you incur a qualified medical flex expense, use your HealthEquity Visa® Reimbursement Account Card\* at participating retailers or you can choose to file an online or paper claim
- When you incur a qualified dependent care expense, you must file an online or paper claim
- You're reimbursed for qualified expenses according to the rules of the plan
- Always save your receipts, as the IRS may require that your charges be verified
- Use it or lose it – account balances will not roll over to the following year

### Qualified Medical Flex Expenses

With the money set aside in your Medical Flex account, you can pay for qualified out-of-pocket medical, dental and vision expenses, for you and your dependents. Qualified expenses include:

- Medical deductible, co-pays, and co-insurance, as well as qualified expenses not covered under your medical plan
- Dental expenses and co-pays not covered by your dental plan
- Vision co-pays, eyeglasses, contact lenses or eye doctor appointments not covered by the vision care plan
- Prescription expenses, co-pays and prescribed over-the-counter drugs

### Using your HealthEquity payment card

ASRC employees who elect to participate in the Medical Flex account will receive a HealthEquity Visa® Reimbursement Account Card in the mail following enrollment. This card pulls funds directly from your account at participating retailers and health care providers. You can check your available account balance online. Your first three cards are free (e.g. for your spouse or replacement card). If you need extra cards, contact HealthEquity. Please note that you will receive a new card every year, so you do not need to retain your old card. This card is issued by “The Bancorp Bank” pursuant to a license from Visa U.S.A. Inc. The Bancorp Bank; Member FDIC.

### What can I pay for with the Dependent Care Flex account?

You can pay for qualified out-of-pocket dependent care expenses incurred while you are at work, such as:

- Day care
- Nursery/pre-school tuition
- After school care
- Adult day care

### How are Flex Accounts administered?

You manage your Medical Flex and Dependent Care Flex accounts through HealthEquity, an organization which provides record keeping services for our Flex Accounts. Once enrolled you can access the HealthEquity website at [www.myhealthequity.com](http://www.myhealthequity.com) to:

- Learn about qualified expenses
- Submit your claims and review claim status
- Check your current account balance(s)
- Find information about the health care payment card program

**The HealthEquity Mobile app can help you:**

- Access your account
- Add claims
- Upload documentation via your phone's camera
- Send payments and reimbursements
- Manage card transactions
- View your claim status

For more information about the Medical Flex and Dependent Care Flex accounts, you may visit [www.healthequity.com/asrc](http://www.healthequity.com/asrc) to access HealthEquity's education website for frequently asked questions, online videos, and tutorials.

**It is important for you to estimate your health or dependent care expenses because your Flex account contributions are forfeited if not used by the deadline. You cannot carry over balances from one year to the next. Claims for the Plan Year (Jan. 1 - Dec. 31) must be received no later than the 90th day following the end of the plan year, in order to be considered for reimbursement.**

# Instructions and Frequently Asked Questions (FAQs)

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Open enrollment includes a lot of information and choices for you to make regarding the benefits available. Enclosed are answers to questions we believe you may find useful.

For additional questions regarding your benefits, please see page 41 for contact information.



### **Who is Eligible?**

Any employee who is in a regular, full-time position and is normally scheduled to work 30 or more hours in a workweek; your legally married spouse; and your natural, step or legally-adopted children under age 26 (eligibility ends on 26th birthday) are eligible for medical, dental and/or vision coverage regardless of student or marital status, place of residence or financial dependency. Adult disabled children require pre-approval.

### **How long does coverage last?**

If you elect to drop a benefit during open enrollment, your coverage will end on Dec. 31, 2013. If you leave employment or you transfer to a temporary position, coverage ends on your last day of work or date of transfer. Dependent coverage ends as of the last date in which the person is considered a dependent, (day of 26th birthday, date of divorce, date other coverage is obtained, or date of death) or date coverage ends for primary insured.

### **What if I don't want to make any changes?**

If you are not enrolled in the PPO 1000 plan, you are not required to make any changes and your plans will roll over to the next year. However, Flex Accounts do not carry over each year. You are required to make an annual election, so be sure to re-enroll in your Flex Account for 2014.



## FAQ Continued...

### What are the key actions I need to take to complete my 2014 benefit enrollment?

- Review your benefit enrollment choices and information using the enrollment system for your company
- Consider what medical coverage you need to change to meet the coverage requirements of Health Care Reform, choosing the best match for your needs from the Bronze, Silver and Gold medical plans
- All employees currently participating in the PPO 1000 need to select another plan for coverage in 2014
- Review your enrollment in dental, vision, life and disability to determine if you want to make changes
- If you are eligible to have a Medical or Dependent Care Flex account, and want to enroll, then make sure to designate your deduction amount(s) for 2014 when you enroll

### Since Health Care expenses are increasing for everyone, how can I reduce my expenses?

You can reduce your per-paycheck deductions by considering enrollment into the “Silver” or “Bronze” plan.

### Do I need to cover my dependents in 2014 under health care reform?

To avoid possible penalties, you must be able to demonstrate that your dependents, those usually listed in your federal tax filing, have health coverage in 2014. You can choose to include them when you enroll in one of our health plans, or you can explore coverage for them that might be available in the market or through another program (see health care reform overview on pages 6 and 7).

### How can I find out more about prescription costs?

The easiest way to learn about drug options is to talk to your physician or pharmacist at your next visit. The Premera website ([www.premera.com](http://www.premera.com)) also has information for you to learn about the availability of drugs in generic, brand, and non-preferred brand drug tiers and the estimated retail and mail order costs associated with each drug choice.



## **Actions You Need To Take During Open Enrollment**

In order to make this a successful Open Enrollment, you may need to take additional actions, such as:

### **Dependent Eligibility and Certification**

If you are adding dependents or changing a beneficiary, gather the name, birthday, and social security number for each dependent and/or beneficiary. Any new dependent added to our plans must be certified for eligibility. Dependent children up to age 26 (eligibility ends on 26th birthday) are eligible for medical, dental and/or vision coverage regardless of student or marital status, place of residence or financial dependency. Adult disabled children require pre-approval. Documentation (i.e. marriage or birth certificate, adoption decree, etc.) must be submitted to ASRC's Benefits Department prior to December 31, 2013.

### **Qualifying Events**

If you have had a recent qualifying life event (birth of a child, adoption, divorce, loss or gain of other coverage, marriage etc.), please be sure to contact your ASRC Benefits Specialist. This may require a change outside of the open enrollment. You will need to supply an enrollment form and back up documentation to substantiate the event.

### **Evidence of Insurability**

If you are requesting voluntary life coverage for the first time for you or dependent(s), you will be required to provide Evidence of Insurability. The form is available as a link online in the self-service open enrollment system. Please refer to the instructions page to gain access to self-service open enrollment.

### **Enrollment**

Please refer to the appropriate "Enrollment Instructions" page.

Please submit your enrollment forms and any other required documentation to:

ASRC Benefits  
3900 C Street, Suite 202  
Anchorage, AK 99503  
Attn: Benefits Specialist



## Enrollment Instructions for ASRC Alaska Employees

These instructions show you how to access your online enrollment system. Your access to the Benefits Enrollment Application in Oracle is available November 1-30.

1. Access the ASRC Applications website at <http://office.asrc.com/>. Select Oracle Self Service under the Applications menu to begin Open Enrollment
2. This is the log-in screen. Log-in with your regular user-name (usually your first initial and last name) and your password

First time logging in? Your Password is **WELCOME1**  
If you have forgotten your password, please contact the HelpDesk at (877) 869-6900



3. Select the SELF SERVICE EMPLOYEE responsibility in the left column, where xxx is your company abbreviation
4. Select the *Benefits* link in the right column

**Helpful Notes:** Once you've logged into the open enrollment system, you may click on any of the *Enrollment Instructions* links available for help in navigating through the system. When you have completed your enrollment please print your confirmation screen for your records.

**Attention ACHC Employees!**

You must call in your 2014 benefits enrollment changes to Benefits Specialists.  
(877) 339-6850

1.

Applications	Help & Training
 Oracle Self Service	 Oracle Self Service
 Webmail	 Open Enrollment Instructions
 PCARD	

2.

**ORACLE E-Business Suite**


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**Login**

Username

Password

(example: 4u99x23)

 **TIP** [Forgot your password?](#)

3.

<ul style="list-style-type: none"> <li> ASRC AP APPROVER</li> <li> ASRC PO APPROVER</li> <li> <b>ASRC SELF SERVICE EMPLOYEE</b></li> <li> ASRC SELF SERVICE TIME &amp; EXPENSE</li> <li> Preferences</li> <li> Worklist Notifications</li> </ul>	<p><b>ASRC SELF SERVICE EMPLOYEE</b></p> <ul style="list-style-type: none"> <li> <a href="#">Personal Actions</a></li> <li> <a href="#">Personal Information</a></li> <li> <a href="#">Payslip</a></li> <li> <a href="#">Tax Form</a></li> <li> <a href="#">Benefits</a></li> <li> <a href="#">My Information</a></li> <li> <a href="#">Employee W-2</a></li> <li> <a href="#">Total Compensation Statement</a></li> </ul> <p><b>Apply for a Job</b></p> <ul style="list-style-type: none"> <li> <a href="#">Home</a></li> </ul>
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4.

<ul style="list-style-type: none"> <li> ASRC AP APPROVER</li> <li> ASRC PO APPROVER</li> <li> <b>ASRC SELF SERVICE EMPLOYEE</b></li> <li> ASRC SELF SERVICE TIME &amp; EXPENSE</li> <li> Preferences</li> <li> <a href="#">Worklist Notifications</a></li> </ul>	<p><b>ASRC SELF SERVICE EMPLOYEE</b></p> <ul style="list-style-type: none"> <li> <a href="#">Personal Actions</a></li> <li> <a href="#">Personal Information</a></li> <li> <a href="#">Payslip</a></li> <li> <a href="#">Tax Form</a></li> <li> <b>Benefits</b></li> <li> <a href="#">My Information</a></li> <li> <a href="#">Employee W-2</a></li> <li> <a href="#">Total Compensation Statement</a></li> </ul> <p><b>Apply for a Job</b></p> <ul style="list-style-type: none"> <li> <a href="#">Home</a></li> </ul>
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## Enrollment Instructions for ASRC Federal Holding Company Employees

These instructions show you how to access your online enrollment system. Your access to the *Benefits Enrollment Application* in Employee Self Service (ESS) is available November 1-30.

1. Access Employee Self Service (ESS) at <https://time.asrcfederal.com>.

This is the ESS Login screen. Your Login ID is your Employee Number and your password is your Time Collection password. If you have any problems accessing the system, please contact the Help Desk at (866) 360-7728.

2. This is the ESS Main screen. To access Open Enrollment, select Benefits from the menu on the left side, then select Benefits Enrollment.
3. **Instructions** - The instructions are the first step in the Open Enrollment process. The system will provide detailed step-by-step instructions. Review the instructions and select the continue button to begin the Open Enrollment process.

1.

Deltak Time & Expense™  
with Employee Self-Service

**Deltak** Know more. Do more.™

Login ID

Password

Domain

Language

Change Password After Login

2.

Time Expense **Self-Service** Administration

Employee Information

Payroll & Benefits

- Payroll Checks
- Expense Checks
- Leave Status
- Life Events/New Hires
- Benefits Enrollment**
- Direct Deposit
- Federal Withholding
- State Withholding

3.

Time Expense Self-Service Administration

**Summary**

Plan Start Date: Dec 17, 2012  
Plan End Date: Dec 15, 2013

1. Instructors

2. Current Elections

3. Dependents/Beneficiaries

4. Vision Benefits

Your summary below lists the elections you have made during the enrollment period amount to be deducted from your pay check each period.

Benefit	Plan
Vision Benefits	VISION
Dental Benefits	CONCORDIA PREFERRED
Medical Benefits	MEDICAL \$500 DEDUCT
Employee Life	BASIC LIFE MAX 500K

# Important Disclosures and Help

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The company wants you to be informed about certain rights and protections you have related to the Affordable Care Act.

### **Notice Regarding the Women's Health and Cancer Rights Act of 1998**

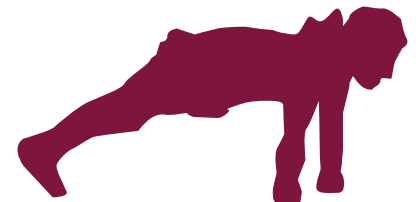
If you have had or are going to have a mastectomy, you may be entitled to certain benefits under the Women's Health and Cancer Rights Act of 1998 (WHCRA). For individuals receiving mastectomy-related benefits, coverage will be provided in a manner determined in consultation with the attending physician and the patient for:

- All stages of reconstruction of the breast on which the mastectomy was performed;
- Surgery and reconstruction of the other breast to produce a symmetrical appearance;
- Prostheses; and/or
- Treatment of physical complications of mastectomy, including lymphedema

These benefits may be subject to annual deductibles and coinsurance provisions that are appropriate and consistent with other benefits under the plan or coverage.

### **Notice Regarding the Newborns' and Mothers' Health Protection Act of 1996**

Under federal law, group health plans and health insurance issuers offering group health insurance generally may not restrict benefits for any hospital length of stay in connection with childbirth for the mother or the newborn child to less than 48 hours following a vaginal delivery, or less than 96 hours following a cesarean section. However, the plan or issuer may pay for a shorter stay if the attending physician, after consultation with the mother, discharges the mother or newborn earlier.



Also, under federal law, plans and insurers may not set the level of benefits or out-of-pocket costs so that any later portion of the 48-hour (or 96-hour) stay is treated in a manner less favorable to the mother or newborn than any earlier portion of the stay.

In addition, a plan or issuer may not, under federal law, require that a physician or other health care provider obtain authorization for prescribing a length of stay of up to 48 hours (or 96 hours). However, to use certain providers or facilities, or to reduce your out-of-pocket costs, you may be required to obtain precertification.

Please be aware that in order to add a newborn dependent to the plan, you need to submit your enrollment change application and proof of birth to the ASRC Benefits Department within 60 days of the event.

### **Availability of Notice of Privacy Practices**

The Arctic Slope Regional Corporation & Subsidiaries Group Health & Welfare Plan (Plan) maintains a Privacy Notice that provides information to individuals whose Protected Health Information (PHI) will be used or maintained by the Plan. If you would like a copy of the Privacy Notice, please contact the ASRC Benefits Department at (877) 339-6850, or by mail at 3900 C Street, Suite 202, Anchorage, AK 99503.

### **Summary of Benefits and Coverage (SBC)**

Your plan offers a series of health coverage options. Choosing a health coverage option is an important decision. To help you make an informed choice, your plan makes available a Summary of Benefits and Coverage (SBC), which summarizes important information about any health coverage option in a standard format to help you compare across options. The SBC is available on the web at <http://office.asrc.com/office/SBC/>. A paper copy is also available, free of charge, by calling (877) 339-6850.



## How To Get Help

For your convenience, ASRC has developed a one source number for all of our insurance carriers and our team so you can obtain assistance for all of your benefit needs. Dial (877) 370-2772 (ASRC) and select from the following options:

- **Option 1:** Premera Medical and prescription Customer Service, assistance finding a Network Provider and check on your claims
- **Option 2:** NurseLine offers access to high-quality professional health resources who will listen to your health concerns, answers questions and offer advice about many health related topics (open 24/7)
- **Option 3:** Health Savings Accounts, Flexible Medical and Dependent Care Account Services (open 24/7)
- **Option 4:** COBRA to check on the status of your continuing benefits after benefit coverage ends
- **Option 5:** Dental customer service is provided by United Concordia
- **Option 6:** Vision Plan Customer service provided by VSP
- **Option 7:** Additional Options
  - Option 1: Employee Assistance Program provided by an independent outside group, Magellan (open 24/7)
  - Option 2: Disability and Life claims provided by Unum
  - Option 3: 401K customer service and advice provided by Charles Schwab and Company
  - Option 4: ASRC BenefitsTeam to speak to your designated Benefits Specialist

This document is neither a summary plan description nor an employee handbook. If a discrepancy arises between this document and the provisions of the official plan documents, the plan documents govern. ASRC reserves the right to modify, amend or terminate its plans and programs at any time.







arctic slope regional corporation

3900 C St. Suite 202, Anchorage, Alaska 99503

