

## OUR INVESTMENT IN YOU

In addition to your base salary, ABC Medical Center provides many benefits such as health, dental, life, and disability coverage, retirement benefits, and paid time off. Significant contributions are made to these plans on your behalf which adds value to your total compensation package.

The value of the benefits shown in this report are estimated annual values based on the assumption that all eligibility requirements have been or will be met.

This report has been personalized to give you a complete picture of your total compensation package.

Estimated Base Salary: **\$33,771**

### PERSONAL INFORMATION

Social Security Number: **XXX-XX-1234**  
 Date of Birth: **11/12/1953**  
 Date of Hire: **1/27/1995**

Plan	Your Investment	ABC's Investment
403(b) Plan	\$2,702	\$338
Pension Plan Cost	\$0	\$1,563
Life Insurance	\$0	\$73
Disability Insurance	\$0	\$269
Healthcare	\$811	\$6,127
Social Security	\$2,583	\$2,583
Additional Benefits	\$0	\$675
Worker's Compensation/ Unemployment	\$0	\$796
<b>Total</b>	<b>\$6,096</b>	<b>\$12,424</b>

### ADDITIONAL BENEFITS

Tuition Reimbursement  
 Courtesy Allowances  
 Wellness Opportunities  
 See your Human Resources department for information.

The total annual value of your pay and benefits package is **\$46,195**. Your benefits represent 37% of this amount.

## PAID TIME OFF

ABC Medical Center recognizes the need for rest and relaxation and chooses to provide a Paid Time Off (PTO) program for all eligible full-time and part-time employees. PTO is designed to be a flexible program to be used for vacation, illness, holidays, or personal business. All eligible employees begin to earn PTO on their first day of employment. Hourly employees may begin to use accrued PTO after three months of employment. Salaried employees may begin using PTO as it is accrued.

PTO is based on months of service with ABC Medical Center and on agreed hours per pay period. PTO is accrued as follows:

Service in Months	Hourly PTO Earned Per Agreed Hour	Hourly PTO Earned Per Bi-Weekly Pay Period (based on 80 hours)	Salaried PTO Earned Per Agreed Hour	Salaried PTO Earned Per Bi-Weekly Pay Period (based on 80 hours)	EMS PTO Earned Per Agreed Hour	EMS PTO Earned Per Bi-Weekly Pay Period (based on 128 hours)
0 - 24	.0808	6.46	.0924	7.39	.0866	11.08
25 - 60	.0924	7.39	.1039	8.31	.0990	12.67
61 - 108	.1039	8.31	.1154	9.23	.1113	14.25
109 - 168	.1154	9.23	.1270	10.16	.1237	15.83
169 or more	.1270	10.16	.1385	11.08	.1361	17.42

Maximum allowable accrued hours are 296 for hourly and salaried employees, and 460 for EMS employees who work at least 128 hours in a bi-weekly pay period.

❖ **In 2004, you are eligible for 216 hours of Paid Time Off with a current value of \$3,897.**

## PROTECTING YOUR FAMILY'S INCOME

Realizing the importance of providing for your loved ones, ABC provides you with Basic Life and Accidental Death & Dismemberment Insurance at no cost to you. All employees who work at least 32 hours per week are covered. Your coverage level is 1 times annual earnings to a maximum of \$225,000.

### Short-Term Disability

Short-Term Disability Insurance (STD) is provided at no cost to you by ABC. In the event of disability as outlined in the plan documents, you would be eligible to receive 50% of your weekly earnings to a maximum benefit of \$1,000 per week. Your benefit would begin after 7 days of disability. The maximum period of payment is 26 weeks.

You may also purchase additional life in the amount of \$25,000, \$50,000, or \$100,000. You may purchase dependent coverage in the amount of \$20,000 for your spouse and \$10,000 for your dependent children, ages 14 days to 19 years, 25 years if a full-time student.

❖ **\$325 Your estimated weekly STD benefit**

As of July, 2004, your life insurance was:

### Long-Term Disability

ABC pays the full cost for Long-Term Disability Insurance (LTD) for employees who work at least 32 hours per week. If disability continues after 180 days, the plan pays 60% of your monthly earnings to a maximum of \$9,000 per month. Payments are reduced by other sources of income and disability earnings. The maximum payment period depends on age at the onset of disability.

- ❖ **\$34,000 Basic Coverage**
- ❖ **\$34,000 AD&D**
- ❖ **\$50,000 Additional Coverage**
- ❖ **\$0 Spouse Coverage**
- ❖ **\$0 Child Coverage**

❖ **\$1,689 Your estimated monthly LTD benefit**

## TAKING CARE OF YOUR HEALTH

We provide health insurance for your financial protection from major medical expenses.

### Prescription Drugs

### The Medical Plan pays:

The annual deductible is \$500 per individual / \$1,500 per family for In-network coverage. Out-of-Pocket Expenses are \$1,500 per individual/\$3,000 per family. ABCMC deductibles are \$200 Individual/\$500 family. The plan pays the following:

Prescription	Participating Pharmacy	Mail Order Advance PCS
Brand Name	\$30 Co-pay	\$60 Co-pay
Generic	\$20 Co-pay	\$40 Co-pay

- 100% for In-Network Primary Care office visits, \$25 co-pay
- 100% for Specialty Office visits, \$35 co-pay
- 100% for In-Network Wellness & Obstetrics Care, \$25 co-pay
- 100% For Emergency Room care, \$75 co-pay
- 90% for Inpatient/Outpatient care at ABCMC, \$125 co-pay
- 80% for all other In-Network Inpatient/Outpatient care, \$350 co-pay
- 100% For Mental Health Expenses

### The Dental Plan pays:

- 100% for preventive services (including 2 annual cleaning and check-up visits)
  - 80% for basic dental, oral surgery, and periodontal services
  - 60% for prosthodontic services
  - \$1,500 for orthodontic benefit
- Annual Maximum Benefit is \$1,200 per person

Non-Network expenses are generally covered at 60% after the \$1,000 deductible /\$3,000 per family. Out-of-pocket expenses are \$3,000 per individual/\$6,000 per family.

❖ **You have elected Single medical coverage and Single dental coverage.**

# YOUR TOTAL RETIREMENT

## Pension Plan

Participation in the Plan begins after 1 qualifying year of service and the attainment of age 21. You will receive a monthly income for life from the Pension Plan, if you continue in your present employment. The benefit below assumes you continue employment at your current rate of pay.

❖	<b>\$755</b>	<b>Pension Benefit</b>
❖	<b>\$1,333</b>	<b>Social Security Benefit</b>

## 403(b) Plan

ABC provides a 403(b) Plan for all employees who work at least 20 hours per week.

As a participant, you may elect to contribute a portion of your compensation to the plan through salary reduction. You may contribute up to \$13,000 in 2004, \$16,000 if over age 50. ABC may match a portion of your contribution. The Employer matching contribution combined with your contributions and the tax-deferred status of the Plan promotes the growth of your retirement account.

It is the intention of your Employer to make discretionary contributions between now and your retirement. Discretionary contributions reward you for long and loyal service to the Medical Center.

As of June 30, 2004, you were contributing 8% of your pay to the 403(b) plan, which equals \$2,702 per year. Based on your current contribution and your current rate of pay, ABC will contribute **\$338** to the plan. Your June 30, 2004 balances are shown below:

❖	<b>\$14,978.96</b>	<b>Your deferral balance in the 403(b) Plan</b>
❖	<b>\$1,895.98</b>	<b>Matching balance in the 403(b) Plan</b>
❖	<b>\$0.00</b>	<b>Your after-tax balance in the 403(b) Plan</b>

Below are projections of what your account balances might be worth at the ages indicated, with the assumption that you will continue to contribute at your current percentage rate.

Assumed Growth Rate	In 10 Years	Age 62	Age 65
6%	\$72,218	\$81,764	\$107,811
8%	\$83,803	\$96,568	\$132,933
10%	\$97,575	\$114,540	\$165,005

## SOCIAL SECURITY COVERAGE

For your retirement, the federal government has designed a national retirement plan commonly known as Social Security. The Social Security program is designed to supplement your personal savings. Your actual benefit amount will be determined at your retirement, death, or disability. Social Security benefits are based on your average earnings over your entire working career. The benefits are paid in monthly payments as soon as you are eligible and continue until your death.

Most employees can begin receiving Social Security benefits if they retire at age 62. By waiting until your Social Security retirement age, you can receive full benefits. See the chart below to determine your retirement age.

Year of Birth	Normal Retirement	Year of Birth	Normal Retirement
Before 1938	65	1955	66 and 2 months
1938	65 and 2 months	1956	66 and 4 months
1939	65 and 4 months	1957	66 and 6 months
1940	65 and 6 months	1958	66 and 8 months
1941	65 and 8 months	1959	66 and 10 months
1942	65 and 10 months	1960 and after	67
1943 - 1954	66		

## IMPORTANT INFORMATION ABOUT THIS REPORT

This summary of your benefits was designed to give you a better understanding of the value of your benefits as a part of your total compensation. Our employee advisors designed the statement using data that we supplied.

We have taken great care to accurately report the values of your benefits. The report is designed only to summarize all of your insurance plan documents. The report is not a contract and does not replace the original plan documents.

If you have any questions concerning your benefits, refer to the original plan documents which contain all the details of the plan and will legally govern in the event of any questions or conflict. This statement is not a legal document and does not establish eligibility to receive benefits from any benefit plan.

We have made standard assumptions that your income, benefits, and the law will not change until your retirement, for the purpose of calculating your benefits.

Questions about this report should be directed to your Human Resources manager.

This Statement was prepared for:

**John Doe**  
**123 Main Street**  
**Anytown, NC 12345**