

SUMMARY OF EMPLOYEE BENEFITS PROGRAMS

MEDICAL CARE BENEFITS

Eligible employees have the choice of medical/vision plans for themselves and eligible dependents. Annual open enrollments offer the opportunity to change plans. Employees contribute a small share of the cost of these plans. Refer to the employee contribution schedule for rates for each of these plans. Each plan provides a high level of coverage for services needed for the care and treatment of illness and injury. The plans are:

1. Preferred Provider Organization (PPO-N) Plan

This plan covers most expenses for health care services from any qualified provider. The plan pays a majority of the incurred medical expenses after an annual deductible has been met. Employees electing this plan can receive medical care from any qualified provider. Under the PPO - N, the reimbursement is significantly greater if care is received from one of the network providers nationwide who are participants in the PPO.

2. Options Point of Service (POS) Plan

This plan offers members a combination of in- network managed services and "out-of-network" services, which can be from any qualified provider. In-network services usually require only a small copayment and there is no annual deductible. Out-of-network services are subject to an annual deductible and a co-insurance payment, typically 20 percent of remaining covered expenses up to an annual out-of-pocket limit.

VISION BENEFITS

All eligible employees are provided vision care benefits at no additional cost. Specific coverage is tied to the medical coverage elected by the employee.

1. United Healthcare PPO - N

Administered by Spectera, this plan covers 85 percent of reasonable and customary charges up to a total of \$165. There is no deductible. Eye exams are covered once per calendar year (with \$10 co-pay) and hardware every two years.

2. Options POS

Plan includes in-network vision benefit. A small copayment is required for some services. As an alternative, the plan will assist in paying the costs for out-of-network examinations annually, and for the purchase of hardware every two years.

DENTAL BENEFITS

There are three dental plans available to employees and eligible dependents. The Washington Dental Core Plan is for Salaried and OPEIU employees only.

1. **Willamette Dental of Washington (WDW) – (ALL Employees)**

Under this plan, dental services are provided only by WDW facilities in Washington and Oregon, including one located in Kennewick, Richland, and Yakima. The participant pays a \$15.00 copayment for each visit plus a scheduled amount for each service received.

2. **Washington Dental (Core Plan) - (NON-BARGAINING & OPEIU Employees ONLY)**

The Washington Dental Service (WDS) “Core Plan” is provided as a low cost plan to employees and eligible dependents. The plan offers dental benefits for in and out of network, including orthodontics. Employees electing this plan will benefit by taking advantage of contracted rates offered by WDS member dentist.

3. **Washington Dental (Buy-Up Plan) - (ALL Employees)**

The WDS “Buy Up” Plan offers higher level of benefits than the WDS Core Plan, but at an increased employee monthly premium. The WDS “Buy Up” plan pays up to an annual maximum of \$1,500 for each covered person for Class I, II and III.

RETIREMENT PLANS

The Company offers two qualified retirement plans, a 401(k)/401(a) defined contribution Savings/Investment Plan, and a defined benefit Pension plan.

1. **Savings/Investment Plan**

Employees can contribute a minimum of 1 percent up to a maximum 50 percent of base pay on a pre-tax or after-tax basis or combination of the two. The Company Matching Contribution is equal to 100% of the first 3% of base pay that you contribute and 50% of the next 2% of base pay that you contribute, for a maximum Company Matching Contribution of 4% of your base pay. Employee and Company contributions can be invested in any of the available funds, and a brokerage account is also available.

2. **Pension Plan**

This non-contributory retirement plan will pay a monthly benefit to vested participants upon separation from the plan. A lump sum benefit option is also available. Pension benefit payments are based on average pensionable earnings during the highest 60 of the last 120 months of base salary and years of benefit service.

Participants in the Hanford Operations and Engineering (O&E) Pension Plan, HAMTC Pension Plan, and HGU Pension Plan are 100 percent vested in benefits with three vesting years.

LIFE INSURANCES

1. Basic Life/Accidental Death and Dismemberment (AD&D)

This plan provides employees under age 65 with basic life insurance equal to two times annual base salary plus an additional AD&D coverage of one times base annual salary. Reduced coverage is available for active employees over age 65. The current employee cost for this coverage is two-tenths of one percent of base salary. Salaried employees can waive this level of coverage and receive one times base annual salary at no employee cost.

2. Personal Accident Insurance (PAI)

This program offers accidental death coverage for employees of up to \$750,000, and their family. Coverage is in effect 24 hours a day, worldwide. Current employee rates are \$.21 per month per \$10,000 in coverage for employees and \$.35 per month for family coverage.

3. Dependent Life Insurance

Salaried employees are offered this optional coverage in amounts which range from \$10,000 to \$40,000 for your spouse and/or an additional amount of \$5,000 for eligible children, depending on age. **Rates are subject to change based on experience..**

4. Group Universal Life (GUL)

Optional, employee-paid GUL insurance is available. It provides portable coverage for employees and families. Additionally, this program offers a cash accumulation account. This program is underwritten by CIGNA and is administered by Johnson & Higgins/Kirke Van-Orsdel, Inc. (J&H/KVI).

Direct questions to GUL at 1-800-642-5726.

The cost for GUL coverage is based on the amount of coverage and the covered individual's age. Employees can elect coverage for themselves of up to four times their base annual salary rate and spouse coverage of up to three times the employee's base annual rate. Coverage is also available for dependent children.

5. Business Travel Accident

The company also provides benefits for death or certain injuries which occur while traveling on company approved business. There is no employee cost for this coverage.

FLEXIBLE SPENDING ACCOUNTS (FSA's)

Two FSA's, Health Care and Dependent Care, allow employees to set aside money on a pre-tax basis for the purpose of paying for unreimbursed health care or dependent care expenses.

Dependent care is **not** health care for dependents but a daycare reimbursement account. Employees can set aside up to \$5,000 annually in the Dependent Care FSA and up to \$5,000 in the Health Care FSA.

DISABILITY BENEFITS

The Company provides for income replacement in the event an employee is disabled due to illness or non-work-related injury. There is currently no employee contribution required for these coverages.

1. Short-Term-Disability (STD)

The STD plan pays income benefits for up to 180 days in the event an employee cannot work due to a qualifying disability. The current STD benefit is 65 percent of the employee's base pay rate in effect on the last day worked. In addition, salary continuance or PTB, if available, can be used to supplement the STD payment up to 100 percent of the employee's pay rate.

2. Long-Term Disability (LTD)

This program provides income benefits in the event the qualifying disability continues for more than six months. LTD benefits currently replace 50 percent of the employee's pay rate up to a maximum of \$4,000 per month. LTD benefits are also coordinated with Social Security Disability payments and with any other State or Federal disability plans for which the employee may be eligible. The LTD plan will combine with any such disability payments to yield a benefit of no more than 60 percent of base pay.

ADDITIONAL BENEFITS

1. Personal Time Bank

Company sponsors of the HEWT provide eligible employees a Personal Time Bank (PTB), for leisure time off (vacation), personal time off, facility closure days (holidays), time lost from work due to illness or injury, family emergencies or medical/dental appointments.

PTB contains time accrued based on your years of active service from 80 hours per year for employees with less than five years of service to 200 hours per year for employees with 20 or more years of service.

Your PTB account also accrues 72 hours of designated facility closure time plus an additional 8 hours per year that can be designated by the employee, for a total of 80 hours.

And finally, 40 hours of PTB is accrued for sick/personal time for exempt employees and 56 hours is accrued for salaried non-exempt and HAMTC-represented employees.

For specific information about the Personal Time Bank, see [HNF-PRO-73](#), Personal Time Bank and Other Absences.

2. Hanford Guards Union Vacation

Employees who are represented by the Hanford Guards Union accrue vacation based on active service with a maximum accrual of 200 hours per year for 20 or more years of service. Hanford Guards union members receive ten paid holidays per year.

3. Service Awards

The service award program recognizes service in 5-year increments.

4. Workers Compensation

Benefits may be available in the event of occupational injury or illness.

5. Severance Benefits

Your Company endeavors to provide steady employment to the greatest practical extent. However, as added protection, severance benefits are available to employees with greater than one year of service. You may also be eligible to receive unemployment compensation from the State. Individual eligibility and the amount of compensation available will be determined according to State law. Although such unemployment benefits would be paid by the State, the Company actually pays the cost through unemployment insurance premiums.