

EMPLOYEE BENEFIT HIGHLIGHTS 2009/2010

Introduction

We are proud to present this overview summarizing the 2009/2010 employee benefit choices available to you and your family. Please use this overview as an enrollment guide to your benefit choices. The summary does not include all the plan details, just the highlights and issues you need to consider when making your healthcare elections for the September 1st, 2009 through August 31st, 2010 plan year.

Eligible Employees and Dependents

You may enroll in the plan if you are an active, regular employee working a minimum of 40 hours per week. In general, eligible dependents include your spouse or children under age 19 (21 for Voluntary Life). If your child is mentally or physically disabled, coverage may continue beyond age 19 once proof of the ongoing disability is provided. If your child is a full-time student, coverage may continue until age 25. Children may include natural, adopted or stepchildren.

Change Your Benefit Elections

With few exceptions, each year during Open Enrollment you have the opportunity to make changes to your benefit elections. All benefit changes go into effect the first day of the upcoming plan year, beginning September 1st. The benefit elections you make during Open Enrollment are in effect through the last day of our plan year, August 31st.

During Open Enrollment you have the opportunity to:

- Add or Delete selected benefits.
- Add or delete yourself and/or your dependent(s) from coverage.

You can make some limited changes during the year if there is a Qualified Status Change and such change is consistent with the event. If you do not update your coverage within 31 days from the family status change, you must wait until the next annual open enrollment period.

Qualified Status Changes Include:

- Change of Participant's legal marital status, including marriage, death of spouse, divorce, legal separation, or annulment.
- Change in the number of participant's dependents due to birth, adoption, placement for adoption or death.
- Any one of the following changes in employment status of participant, spouse or dependent: Starting or ending employment, starting or returning from an unpaid leave of absence, change in job status (for example, from part-time to full-time.)
- Change that causes the participant's dependent to start or to stop meeting the plan's eligibility requirements. Examples include attaining the dependent age limit or ceasing to be a full-time student.
- Change in spouse's or dependent's coverage during other employer's plan open enrollment period or increase/decrease in other employer's plan coverage.
- Receipt of a Qualified Medical Child Support Order (QMCSO)
- Gain or Loss of Medicare

When Coverage Begins

Benefit coverage for newly hired employees and their eligible dependents may begin the first of the month coinciding with or following the completion of one month of continuous employment with Mariners Church and completion of the required paperwork. All elections are in effect for the entire plan year and can only be changed during Open Enrollment, unless you experience a Qualified Status Change. If you experience a Qualified Status Change during the course of the year outside of your initial enrollment period, you will have the opportunity to add dependents according to the following guidelines:

- Adding a spouse due to marriage: Eligibility will be the first of the month following your date of marriage. This will also apply to any dependent child you gain as a result of the marriage.
- Adding a spouse and/or child(ren) due to your spouse's loss of coverage. Eligibility will be the first of the month following the date of the loss of coverage.
- Birth of a child: You must complete an enrollment form to add the baby to your health insurance coverage. Eligibility will be effective on the child's date of birth.
- Legal adoption (or guardianship) of a child: Eligibility will be effective on the date you assume financial responsibility for the child or have the right to control the child's healthcare. Your coverage request must be accompanied by court documentation.
- You must notify Human Resources within 31 days of the event in order to ensure that your dependents are properly

IMPORTANT INFORMATION

When Coverage Ends

Your participation in Mariners Church sponsored benefits plan terminates either when your employment ends or the end of the month in which your employment ends, depending on the benefit. Mariners Church is exempt from offering COBRA for health insurance when an employee ends their employment. Therefore, Mariners wants to make you and your family aware of the following health insurance options upon termination. You may decide which type of plan would best meet your needs.

HIPAA (Health Insurance Portability and Accountability Act)

HIPAA plans are designed for employee who do not have other options due to health conditions. There are no exclusions for pre-existing conditions. Each insurance carrier offers HIPAA plans with various benefits and coinsurance amounts. Coverage includes medical and hospital services, prescription drugs and preventive care. Information on specific plan offerings is available by calling the insurance carrier. One of the qualifying requirements is to have a minimum of 18 months of continuous health coverage, most recently under an employer sponsored group health plan, and have had coverage within the last 63 days. Premium is based on rating area, age and number of dependents covered.

Be aware that in California, under HIPAA guaranteed-issue coverage, you are only permitted to make one plan election and enrollment. This means that once an insurer has enrolled you in their HIPAA plan, you cannot change carriers or even make plan changes with that carrier after the fact. It is important to be careful when electing coverage under HIPAA as it is a one-time choice as long as you remain under a HIPAA guaranteed-issue health plan.

Kaiser does not allow agents to sell or service their HIPAA plans, but you may call Kaiser at 800-464-4000 to inquire. You must purchase a HIPAA plan direct from Kaiser. Information on Anthem Blue Cross HIPAA plans is available from Burnham at 949-252-4589.

Conversion

If you have less than 18 months of health coverage and have had coverage within the last 63 days, you may be able to convert to an Anthem Blue Cross or Kaiser plan. Contact Anthem Blue Cross ISG Support line at 800-333-0912 or Kaiser's Member Services at 800-464-4000 for more information.

Short-Term Plans

This coverage provides flexible interim health benefits while you're between jobs, or in a benefits waiting period with a new employer. You should only consider this coverage as protection against accident, injury or illness. Short-term coverage is temporary and does not cover routine exams, pregnancy and childbirth, or pre-existing conditions unless creditable coverage applies. If you have an ongoing medical condition you are being treated for, you will want to consider another option.

Individual & Family Plans

Individual plans offer the most comprehensive coverage and choice of plan design. They generally offer coverage for optional benefits such as dental. All family members may apply. Coverage is not guaranteed and requires medical underwriting. If you have a significant medical condition you may be denied coverage, or be offered increased premium rates. Plan availability and designs may vary by insurance carrier. Carriers typically offer PPO and HMO options: PPO plans offer a choice of deductibles and coinsurance to suit your individual needs and HMO plans provide coverage with co-payments for most services.

If you are interested in any of the above options with Anthem Blue Cross please contact Anthem Blue Cross at 800-333-0912 or go to www.anthem.com. If you are interested in Kaiser's individual/family plans, please call their member services at 800-464-4000 and request a brochure. You can also request a quote on line at www.kp.org/care.

Other carriers offer similar products if you'd prefer a different vendor. If you have questions you may call Burnham Benefits at 949-252-4589.



YOUR MEDICAL BENEFITS

Mariners Church offers you and your dependents one medical program through Kaiser: Health Maintenance Organization (HMO) and three medical programs through Anthem Blue Cross: The California Care Health Maintenance Organization (HMO), two Preferred Provider Organizations (PPO).

The Kaiser Permanente HMO plan offers you coverage through Kaiser-only facilities. You do not need to select a Primary Care Physician, although all of your physician, hospital, and other medical facility care must be provided by Kaiser, including doctor's visits, in and outpatient hospital services, lab and x-rays and prescriptions.

The Anthem Blue Cross HMO plan requires that you select a medical group and Primary Care Physician (PCP) from which you and your family will receive medical care. The PCP you choose must be located in the service area where you live or work. The PCP will manage your total health care needs. With the HMO plan, all your covered services are received in-network. Under the PPO plans, you have the option to receive care from a non-participating provider, but your co-pay or coinsurance will be less when you go to an in-network provider. Please go to www.anthem.com/ca for available doctors, medical groups and hospitals in the network. Select California Care for the HMO network and Prudent Buyer for the PPO networks on the website. You may change PCP's by calling Anthem Blue Cross's customer service.

Please note: The PPO plans have a 6 month pre-existing condition limitation while there is no pre-existing condition limitation for the HMO plan. Please see the Anthem Blue Cross Evidence of Coverage for more details.

Type of Plan	KAISER HMO	ANTHEM BLUE CROSS California Care Premier HMO 20	ANTHEM BLUE CROSS PREMIER 250/20 PPO		ANTHEM BLUE CROSS Solution PPO 1	
	Network Only	Network Only	In-Network	Out-of-Network	In-Network	Out-of-Network
Calendar Year Deductible	None	None	\$250 per person \$750 Family	\$750 per person \$2,250 Family	\$2,500 per person \$5,000 Family	
Physician Office	\$20 each visit	\$20 each visit	\$20 each visit	40%	\$10 each visit	40%
Hospitalization	No copay	No copay	\$250/Admission, 20%	\$750/Admission. 40%	20%	\$500/Admission. 40%
Emergency Room	\$100 copay	\$100 copay (Waived if admitted)	\$100 copay (Waived if admitted)		\$100 copay (Waived if admitted)	
Adult Physicals	\$20 each exam	\$20 each exam	\$20 each exam	Not covered	\$10 each exam	Not covered
Pregnancy & Maternity Care	No copay	\$20 each visit	\$20 each visit	40% (physician)	\$10 each visit	40% (physician)
Mental Health Outpatient	\$20 each visit	\$20 each visit (Limit 20 visits/ cal. yr)	20%	40%	20%	40%
		Limited to 20 visits/cal year			Limited to 20 visits/cal year	
Chiropractic¹	Not covered	No copay; limit 60 days following illness or injury	20%	40%	20%	40%
		Limited to 24 visits/cal year			Limited to 24 visits/cal year	
Lifetime Maximum	Unlimited	Unlimited	\$5,000,000 per member		\$5,000,000 per member	
Annual Out-of-Pocket Maximum	\$1,500/ member / cal. year \$3,000/ family / cal. year	\$1,500/ member / cal. year \$3,000/ family / cal. year	\$3,000/ mem- ber / cal. year	\$6,000/ member / cal. year	\$2,500/ two mem- bers / cal. year	\$10,000/ two mem- bers / cal. year
Prescriptions at Pharmacy (30-day supply)	\$10 Generic \$25 Formulary Brand (30-day supply)	\$10 Generic \$25 Formulary Brand \$40 Non-Formulary Brand	\$10 Generic \$25 Formulary Brand \$40 Non- Formulary Brand	Applicable copay plus 50% of the limited fee schedule plus any amounts ex- ceeding the fee schedule	\$250 Brand Deductible \$10 Generic \$25 Formulary Brand \$50 Non- Formulary Brand	Applicable copay plus 50% of the limited fee schedule plus any amounts ex- ceeding the fee schedule
Mail Order (90-day supply)	\$20 Generic \$50 Formulary Brand (90-day supply)	\$10 Generic \$50 Formulary Brand \$80 Non-Formulary Brand	\$10 Generic \$50 Formulary Brand \$80 Non- Formulary Brand		\$10 Generic \$50 Formulary Brand \$100 Non- Formulary Brand	

¹ Dr. Tony Ganem offers Mariners Church employees chiropractic services at a special rate. Please see HR for more details.

YOUR DENTAL BENEFIT

Employees and their families have two dental plan options: an California Dental Network Advantage Plan 75 DMO and Principal's First Dental Health POS.

California Dental Network (CDN) Dental Maintenance Organization (DMO)

You must select a network provider at enrollment and you must receive from, or coordinate through, the selected network provider. There is no coverage available when using a non-network dentist. Of course you may change your dentist on a monthly basis by calling member service.

Principal's First Dental Health Point of Service (POS)

Principal's First Dental Health POS plan allows you to access a broad network of providers via three tiers; EPO (exclusive providers within the EPO network), PPO (a broader PPO network), and Non-Network (providers who are not in either EPO or PPO tier). You may visit an EPO or PPO Dentist and benefit from the negotiated rates, or visit an out of network Dentist. When you utilize an EPO or PPO Provider, your out of pocket expenses will be less.

Type of Service	CDN Dental DMO	Principal's First Dental Health POS*		
	Network Only	EPO In-Network	PPO In-Network	Out-of-Network
Calendar Year Deductible Individual / Family	Not Applicable	\$0	\$50 / \$150	\$50 / \$150
Annual Maximum Benefit	No Annual Limit	\$2,000	\$1,500	\$1,500
Preventive Services Includes oral exams, cleaning, fluoride treatments and diagnostic x-rays. Exams and cleanings limited to two per 12 month period.	\$0 office visit copay Per copay schedule No charge for most preventive services	100% Deductible waived for preventive services	100% Deductible waived for preventive services	80% Deductible waived for preventive services
Basic Services Includes procedures such as fillings, extractions, endodontic root canal therapy, and periodontics.	Per copay schedule	100%	90%	80%
Restorative services Includes crowns, bridges and dentures	Per copay schedule	100%	60%	50%
Orthodontics	Child copay \$1,775 Adult copay \$1,975	50% of \$2,000 Child Only		

*The Maximum Accumulation Plan was elected. This allows for a portion of unused maximum benefit to carry over to next year's maximum benefit amount. To qualify, a member must have had a dental service performed within the calendar year and use less than a maximum threshold. The threshold is equal to the lesser of 50% of the maximum benefit or \$1,000. If qualification is met, 50% of the threshold will be carried over to next year's maximum benefit. A member can accumulate no more than four times the carry over amount.

PRE-DETERMINATION: When a course of treatment is expected to cost \$300 or more and is of a non-emergency nature, have your dentist submit a treatment plan to Principal for approval before he/she begins.

LATE ENTRANTS: A late entrant is an employee or dependent who does not enroll on the plan within 31 days of becoming eligible. A late entrant is subject to the following waiting periods before certain services will be covered under the plan

- Preventive Services** No waiting period
- Basic Services** Covered after insured under the Plan 12 months
- Major Services** Covered after insured under the Plan 24 months
- Orthodontic Services** Covered after insured under the Plan 24 months

This information is provided for summary purposes only. Refer to the Summary Plan Description for specific plan information.

YOUR VISION BENEFIT

Anthem Blue Cross is our vision provider. Mariners pays part of the Anthem Blue Cross vision premium on your behalf. Please refer to Anthem Blue Cross's Summary of Benefits brochure for plan details in addition to the benefits below. In-Network providers include private practice doctors as well as LensCrafters, Target, Sears, and JCPenney.

<u>Type of Service</u>	<u>Anthem Blue Cross Network</u>	<u>Out-of-Network</u>
Eye Examination	\$15	Up to \$49
Spectacle Lenses		
Single Vision	100%	Up to \$35
Bifocal	100%	Up to \$49
Trifocal	100%	Up to \$74
Progressive	Up to \$65	Up to \$49
Frames	Up to \$130 retail value	Up to \$92
Elective Contact Lenses	Up to \$130 retail value	Up to \$92
Necessary Contact Lenses	100%	Up to \$250

403 (b) Retirement Plan

As an employee of Mariners, a non-profit organization, you can exclude a portion of your salary from current tax liability and put money to work for you that otherwise might have gone toward current income taxes. In addition, Mariners will contribute according to the chart below:

Years of Service Completed	Vested Percentage	Coordinator/Intern Support		Unlicensed Pastor/Director		Licensed Pastor/Director	
Less than 1	0%	0%	0%	0%	0%	0%	0%
1	0%	0%	2.5%	2.5%	2.5%	5.0%	2.5%
2	25%	0%	2.5%	2.5%	2.5%	5.0%	2.5%
3	50%	0%	2.5%	2.5%	2.5%	5.0%	2.5%
4	75%	0%	2.5%	2.5%	2.5%	5.0%	2.5%
5	100%	0%	2.5%	2.5%	2.5%	5.0%	5.0%
6	100%	0%	2.5%	2.5%	2.5%	5.0%	5.0%
7	100%	0%	2.5%	2.5%	2.5%	5.0%	5.0%
8	100%	2.5%	2.5%	2.5%	5.0%	5.0%	5.0%

You can obtain more detailed information about the program from Human Resources.

DISABILITY AND LIFE / AD&D

Short Term and Long Term Disability

If you can't work because of an illness or injury, our disability plan provides a source of income to meet your needs. On the 8th day of leave for sickness or injury, our Short-Term Disability (STD) plan pays a benefit equal to 60% of your weekly earnings up to a maximum of \$750 per week (12-week benefit duration). The Long-Term disability (LTD) program will go into effect after an employee has been totally disabled for 90 days. LTD provides a benefit equal to 60% of your pay as of your last day of full-time work. The monthly LTD benefit cannot exceed \$6,000. Please note: Income received while on disability would be integrated with any applicable state, federal or workers compensation benefits received.

You have the option of receiving the STD and LTD benefit taxed or tax-free. To receive a tax-free STD or LTD benefit at the time of claim, you pay the premium as an after-tax deduction. If Mariners pays the premium on your behalf, your benefits will be taxed at the time of the claim. No medical underwriting questions are asked when first eligible. If you do not elect to pay the premiums when first eligible you will not have the opportunity to pay the disability premium until the next annual open enrollment.

Payment Options: You have two choices in how to pay the premium for this policy, as shown below. The calculation example illustrates the formula to use in estimating your cost for the Long-Term Disability Plan and Short-Term Disability Plan.

$$\text{LTD Calculation Example: } \frac{\$40,000 \text{ X Annual Salary (up to } \$120,000)}{0.00195 \text{ Rate}} = \frac{\$78}{\text{Your annual cost}^*}$$

Mariners Pays for LTD Plan

If Mariners pays the cost of the plan:

- The benefit you receive **will be taxed**.

Example: If your annual salary is \$40,000 and you become disabled, your taxed benefit would be \$16,800. (60% LTD benefit per month up to \$6,000 and taxed at 30%)

The example above has been calculated using a 30% tax bracket

Employee Pays for LTD Plan

If you elect to pay the cost of the plan:

- The benefit you receive **will be tax-free**.

Example: If your annual salary is \$40,000 and you become disabled, your non-taxable benefit would be \$24,000. (60% LTD benefit per month up to \$6,000)

$$\text{STD Calculation Example: } \frac{\$40,000 \text{ Annual Salary (up to } \$65,000)}{52} \times .60 \times \frac{0.024}{\text{Rate}} \times 12 = \frac{\$132.92}{\text{Your annual cost}^*}$$

* Premium is paid over 24 annual pay periods on an after-tax basis.

Basic Life and Accidental Death & Dismemberment (AD&D) Insurance

You are eligible for Basic Life Insurance equal to \$40,000, 100% paid for by Mariners Church. Should you lose your life as the result of an accident, the Accidental Death & Dismemberment (AD&D) insurance would pay an additional benefit equal to the amount of your life insurance. The AD&D policy will also pay a percentage of the benefit if you suffer the loss of a limb, speech or hearing due to accidental causes. The amount of Basic Life and AD&D insurance will be reduced by 35% at age 65 and 45% at age 70.

Voluntary Life and AD&D

You may purchase additional insurance coverage for yourself, as well as coverage for your spouse and/or child(ren). You must purchase coverage for yourself in order to purchase spousal or child coverage. No medical underwriting is required for employees for term life insurance amounts up to the lesser of 3 times earnings or \$100,000; \$50,000 for spouses; and \$10,000 for child(ren). Medical questions are asked and a blood test may be required for amounts over this guaranteed amount. If you do not elect Voluntary Life insurance coverage when first eligible and elect coverage at the next Open Enrollment period, the entire amount elected will require satisfactory evidence of insurability.

FLEXIBLE SPENDING ACCOUNTS

Flexible Spending Accounts: Health Care and Dependent Care

The Health Care Account allows you to reimburse yourself with tax-free dollars for health care services, select over-the-counter medications, and materials not covered under our medical, dental or vision programs. The maximum amount you will be able to defer into this account over the plan year is \$2,500. The Dependent Care Account allows you to reimburse yourself with tax-free dollars for day care expenses associated with a dependent child under the age of 13 or a disabled dependent. The maximum amount you will be able to defer into this account over the next plan year is \$5,000 (\$2,500 if married and filing separately). The plan year for Mariners Flexible Spending Account is from September 1st — August 31st.

**REMEMBER:
USE IT OR LOSE IT!**



Many tools are available to make your FSA usage easier. On-line viewing of claims is available at www.goigoe.com. A FSA debit card allows you to pay for eligible health care and dependent care expenses with the swipe of your card. Save all receipts!!! Igoe will contact you if your debit card use requires confirmation of a receipt. You may also have your reimbursements directly deposited into your bank account, instead of receiving a check via mail.

VALUE ADDED PROGRAMS

Ability Assist

Your sense of well-being directly affect the way in which we as a church grow and develop. We take special interest in your welfare because you are important to us. We have a program to help you manage and successfully decrease everyday life stressors such as marital conflict, child/adolescent behavioral problems, workplace issues, and more. Included with Ability Assist, employees can receive five face-to-face counseling sessions per employee prior to an LTD claim and an additional five face-to-face meetings per family if an employee becomes a claimant. Besides counseling, the program provides referrals to community resources such as community and government agencies serving the disabled, homemaker services, assistive equipment and day care for children and elderly parents. Simply call 877-964-3577 or you may access information at www.guidanceresource.com 24 hours a day, 365 days a year for telephonic assessment, short-term problem resolution, crisis intervention and referral.

Beneficiary Assistance Program

Included with The Hartford's products is the Beneficiary Assist program which helps you cope with the emotional, financial and legal issues that can arise after a loss. This program includes unlimited phone contact and five face-to-face meetings per family either with a grief counselor, legal advisor or financial planner in your beneficiary's geographic location.

Travel Assistance Program

Travel Assistance is brought to you by The Hartford. This program provides emergency assistance to you when traveling 100 miles or more from your home for 90 days or less. The emergency medical assistance services include medical referrals and monitoring, evacuation and repatriation, traveling companion assistance, dependent children assistance and replacement of medication or eye-glasses. In addition to emergency services, you have access to a wide range of pre-trip informational services such as Visa and immunization requirements, cultural information, weather conditions and more. Emergency personal services such as assistance with locating lost or stolen items, legal assistance and travel arrangements is also available.

Life Conversations

Included with The Hartford's products at no cost to you is *Life Conversations*. This includes a funeral planning tool that helps employees and their families prepare for and deal with a funeral. *Life Conversations* also provides an estate guidance tool that assists employees in creating a simple, legal will online.

Carrier Contact List

Carrier	Group #	Phone #	Website Address
<u>Medical Coverage</u>			
Anthem Blue Cross HMO	165637H001	800-227-3613	www.anthem.com/ca
Anthem Blue Cross PPO 250/20	165637M001	800-477-2226	Click on Find a Doctor, Large
Anthem Blue Cross Solution 1 PPO	TBD	800-477-2226	Group, Blue Cross HMO
Away from Home		800-810-BLUE	(California Care) or Anthem
Prescription Drug		800-700-2541	Blue Cross PPO (Prudent Buyer)
Prescription Drug Mail Order		866-274-6825	
Kaiser HMO	228974	800-464-4000	www.kp.org
<u>Dental Coverage</u>			
Cal Dental Network DMO	TBD	800-433-6825	www.caldental.net
			Enter your home zip code in the space provided and click Find a Dentist
Principal First Dental Health POS	TBD	800-247-4695	www.principal.com
			Click on Find a Provider, then Search for Dental Provider, Select Principal POS Plan. EPO Providers will be shown first, or click on show PPO Providers
<u>Vision Coverage</u>			
Blue View Vision	1656370001	866-723-0515	www.anthem.com
			Click on Find a Doctor, Large Group, Blue View Vision
<u>Life and Disability Coverage</u>			
Hartford Life/AD&D	862326	888-563-1124	www.thehartford.com
Hartford Vol. Life/AD&D	862636	888-563-1124	
Hartford Short Term Disability	862636	800-289-9140	
Hartford Long Term Disability	862636	800-289-9140	
Hartford Life Conversations	862636	866-854-5429	www.hartfordlifeconversations.com
Blue Cross Life	1656370003	888-231-5032	www.anthem.com
Blue Cross AD&D	1656370004		
<u>Flexible Spending Accounts</u>			
Igoe Reimbursements	N/A	800-633-8818 858-673-3670 (fax) flex@goigoe.com (email)	www.goigoe.com Company Pin 0252
<u>Additional Benefits from Hartford</u>			
Ability Assist	Mariners Company Name: abili	800-964-3577	www.guidanceresources.com Company ID: HLF902
Beneficiary Assist		800-411-7239	
Travel Assist	GLD-09012	800-243-6108 (From the US and Canada) 202-828-5885 (Outside of the US and Canada) 202-331-1528 (Fax)	
<u>403(b) Plan</u>			
Guidestone Financial Resources	Mariners	800-262-0511	www.guidestone.org

This Benefits Enrollment Guide highlights the provisions of your employee benefits program. More detail can be found in the summary plan descriptions and plan documents. In the case of a discrepancy between the plan documents and this Guide, the plan documents will prevail. Mariners Church intends to continue the benefits plan indefinitely. However, Mariners Church reserves the right to amend, suspend or discontinue any of the plans at any time.