



YOUR PERSONALIZED COMPENSATION STATEMENT

making the most of your employment rewards.

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ABC Hospital

June 9, 2015

Dear ABC Hospital Employee:

Employees are at the heart of ABC Hospital. Without dedicated staff caring for patients, helping visitors and maintaining the organization, the hospital is just a building. The work that you do everyday makes a difference – it saves lives.

You are essential to the success of this organization. ABC Hospital is pleased to provide you with this personalized Total Compensation Statement. The Statement reflects the benefits you selected as an employee during the 2015 calendar year. It also includes a detailed review of the value of your total compensation which allows you and your family the opportunity to better understand your current elections and future considerations. These benefits are funded mutually by employee and hospital contributions.

By receiving this packet, you have already started your journey to making the most of your benefits. Your benefits counselor who provided you with this packet can answer your specific questions and help you design a benefits package that works with your goals and budget. You can also access answers on-line at the Personal Choices website at www.abchospital.org/careers. Click on Employee Benefits on the left-side menu and then log in as a current employee with the username: ABCHOSPITAL and password: ABCHOSPITAL.

If you have any questions at any time about your employee benefits, please call the Human Resources Department Benefits Office at (XXX) XXX-XXXX.

Thank you for all you do to make ABC Hospital the best place to work, practice medicine and provide care.

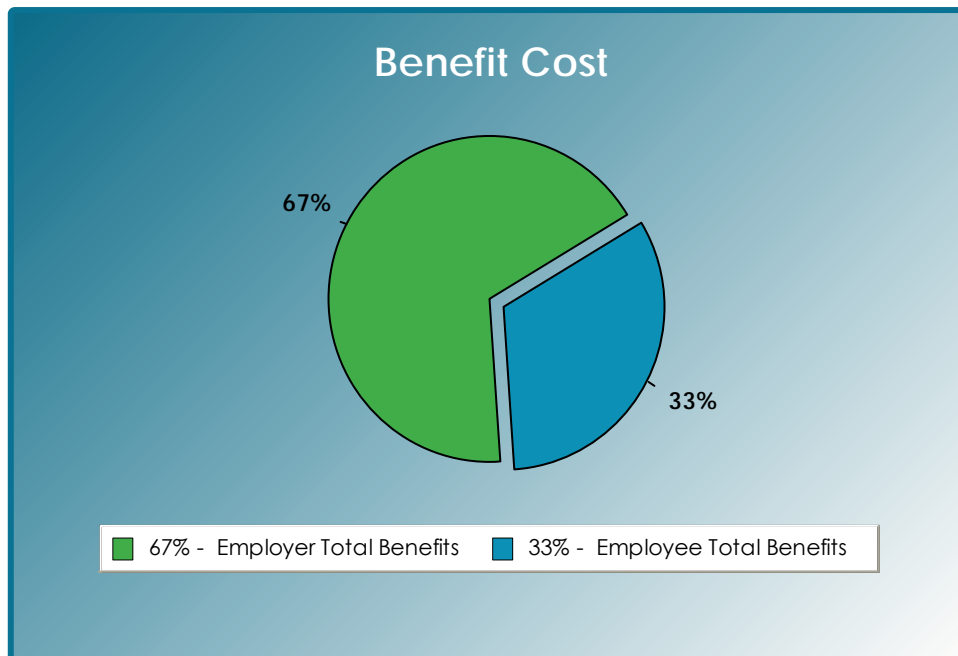
Sincerely,

Susan F. Sample
Chief Executive Officer

Summary of Benefits Provided for Employee Sample

BENEFIT	2015 EMPLOYER COST	2015 EMPLOYEE COST
Health/Dental/Vision Insurance Pre-Tax	\$ 12,262.90	\$ 2,121.86
Life & Accidental Death (AD&D)	19.20	0.00
Social Security Tax	4,049.30	4,049.30
Medicare Tax	947.01	947.01
State Unemployment & Disability Tax	0.00	718.42
Employee Assistance Program	27.60	0.00
Long Term Disability	132.28	0.00
Supplemental Life Insurance	0.00	48.00
Trustmark Voluntary Insurance	0.00	624.00
Total Benefits Cost	\$ 17,438.29	\$ 8,508.59
Annual Income	67,433.13	
Total Compensation	\$ 84,871.42	

Your total benefit cost equals an additional **25.86%** of your annual salary.



Important: This booklet is intended to summarize your employer-provided benefits. The numbers and text contained in your report were taken from various summary plan descriptions, billings and plan valuation sheets. While every effort was taken to accurately report your benefits, discrepancies or errors are always possible. In case of discrepancy between this report and the actual plan documents, the actual plan documents will prevail.

UNDERSTANDING HEALTHCARE COSTS

As an Informed Consumer

The cost of healthcare and other employee benefits represents a portion of your overall compensation. Over the last decade the rising cost of healthcare insurance has resulted in benefits becoming a larger and ever growing piece of your total compensation package. Employee salary and benefit costs in 2010 represented 75.6% of the hospital's annual operating budget.

The national focus on healthcare reform illustrates the significance of health insurance. The recently passed federal healthcare reform legislation will impact your benefits as an employee of ABC Hospital in the next few years. Everyone associated with our hospital feels the impact of increased health insurance costs and we all stand to benefit from our mutual efforts to contain insurance costs.

ABC Hospital provides a substantial benefits package. We have maintained these benefits for employees during a time when many employers are forced to reduce benefits. By working together to use benefits efficiently and wisely we can slow the rising cost of benefits and maintain our sound coverage.

Since 1999, employment-based family health insurance premiums have increased 131%, compared to cumulative inflation of 45% and cumulative wage growth of 30% during the same period. (Kaiser Family Foundation).

U.S. Average Premium Cost Per Individual		U.S. Average Premium Cost Per Family	
1999	2015	1999	2015
\$2,196	\$4,824	\$5,719	\$13,375



ABC Hospital provides employees with a choice of healthcare insurance plans. No matter what plan you are currently participating in, the problem of over utilization is prevalent in areas we can identify. The following examples show expense categories with fast rising utilization:

Prescription Drugs:

The average cost of a generic medication is \$15.00 while the average brand cost is \$108.00. See information about controlling pharmacy expenses on page 6.

Emergency and Urgent Care:

Each emergency room visit costs the plan up to ten times what a doctor's office or urgent care center costs.

Top Disease Categories:

The most money is spent on the following diseases:

- Cancer
- Heart Disease
- Musculoskeletal
- Respiratory

WHAT CAUSES HIGHER HEALTH INSURANCE PREMIUMS?

One leading cause is increased utilization, which is the amount of healthcare that we use. As a group we use more medical services and products than ever before. Advances in healthcare provide new treatment options that save and prolong lives. The availability of new treatments increases utilization which results in higher medical insurance premiums.

MEETING THE HEALTHCARE CHALLENGE

Is there anything we can do to offset the higher trends in cost and utilization and be better healthcare consumers?

The good news is that there is a lot we can do by working together to use healthcare more effectively and more efficiently. Healthcare experts agree that significant amounts of our dollars are wasted. By becoming better consumers of healthcare we can get better care while maximizing the use of our healthcare dollars. To meet the healthcare challenge we must all take a look at how we see ourselves as consumers of healthcare services.

HOW DO YOU SEE IT?

Choose the statements below that best match your views about your Healthcare (check all that apply):

Looking at Healthcare Expenses...

- In the past I didn't pay much attention to my healthcare bills because I am not responsible for the payment.
- It's time to make sure we get what we pay for, after all, in the end we are all paying for the increases in health insurance.

When it comes to prescription medications...

- In the past I would just take the prescription written by my doctor and get it filled without asking a lot of questions.
- In the past I have never really used the online health services or the nurse line.

What can I do to reduce the cost of care....?

- In the past I have never really used the online health services or the nurse line.
- I can see where a call to the nurse line might save both time and money.
- I understand that health screening is a medical cost that may detect serious illnesses, both saving lives and reducing costs in the long run.



TOOLS FOR CONTROLLING COST

In order to make informed healthcare decisions you need better information about the cost and quality of the healthcare resources available to you. Your medical carrier provides an extensive suite of personal health management tools available to you online.

Learn how to select your doctors and hospitals carefully. You will find tools online that will help you select providers and reduce costs in the following ways:

- Search and compare hospitals and doctors by zip code to find nearby caregivers.
- Locate doctors and specialists within the network (this reduces your out of pocket costs).
- In addition you can go online to the websites below to access special medical services for employees or family members with chronic illnesses like cancer, high blood pressure, coronary illness or asthma.

Blue Access for Members?

You can access this site through your employer Benefits site at www.abc.org or you can access Blue Cross Blue Shield of Illinois by going directly to www.bcbsil.com,

Already Member, or registering as a member and using your Blue Cross Blue Shield identification card. Blue Care Connection provides personalized attention, support, online resources and health advocacy, helping you find the right resources, optimize your healthcare benefits and manage your medical conditions.

See the wellness benefits that are provided by BCBSL on page 7.

Customer Service Contacts:
HMO, Blue Cross Blue Shield
(XXX) XXX-XXXX

PPO, Blue Cross Blue Shield
(XXX) XXX-XXXX



WISE USE OF YOUR PHARMACY BENEFITS

Increased utilization and cost of prescription medications greatly contributes to the increased cost of health insurance. Review the tips below to discover ways to better manage your use of prescription medications.

Develop a personal Medical Information Record that tracks all of the medications taken by you and your family members (see back cover).

Take a copy of the Medical Information Record with you when you visit the doctor's office. Write down any questions you may have about your medications prior to your appointment.

When meeting with the doctor be sure to confirm the names and dosage of your existing medications as well as any new prescriptions. Ask the doctor if there are safe and effective, alternative medicines or a generic brand that meets the same needs at a lower cost.

Find out if the prescription is a generic or name brand medication and use lower cost generics when you and your doctor agree that this option is suitable.

Make sure you ask the doctor or nurse to explain potential side effects and how the drug works.

Confirm the Rx directions with the pharmacist and ask about food-drug interactions, alcohol-drug interactions, and recommended monitoring tests.

Understand and follow your prescription directions precisely. Check with your doctor before stopping or changing the prescribed directions.

Use a pill organizer to take the guesswork out of taking pills and to help make sure you and your family member take all pills on time.

Carefully read the documentation that comes with the medicine to obtain important information about warnings, dosage, side effects, and storage.

PHARMACY RESOURCES

The hospital has contracted Walgreens (Walgreens Health Initiative) to administer your prescription plan for the PPO plan; HMO members have Prime through Blue Cross Blue Shield. An important component of the program is that the pharmacy vendor you choose will maintain a drug history for you and each member of your family, and monitor each prescription when it is filled to reduce the possibility of drug allergies, or interactions between the prescriptions.

If you have questions regarding the program or require assistance, you may contact the pharmacy vendor at the phone number or website shown on your ID card.

XXX PPO Customer Service Contacts

Walgreens Health Initiatives: (XXX) XXX-XXXX

Blue Cross Blue Shield

Customer Service: (XXX) XXX-XXXX

BETTER HEALTH RESULTS IN LOWER COST

The most effective way to lower healthcare utilization is to learn about and introduce lifestyle habits that will improve health and well-being. We know that the choices we make regarding lifestyle dramatically impact healthcare utilization, not to mention how we feel and our life expectancy!

Become Part Of The Solution

It is easy today to make poor choices when it comes to healthy lifestyles. Almost everyone has room to improve! The most important question is do you see yourself as part of the solution?

Personal Health Manager

We understand that knowing the latest information about health, finances, and retirement is important, but we also understand that weeding through what is fact and what is fiction makes it hard to keep up. In the Wellness Manager, we have refined the search for you. Here, you will find the latest online information concerning the

hottest topics. The Personal Health Manager is provided through Blue Cross Blue Shield.

Go online directly to: www.abc.com. And to access these services and more, log in to Blue Access® for Members.



Your online interactive personal health management system.

You receive informed choices about your and your family's health and wellness along with with your doctors and other health providers. Take an easy first step and build on your health improvements.

Access online tools and information to help you manage your healthcare. Want to improve overall health, manage a chronic health condition or prepare for a specific medical treatment? Find it all here.

Blue PointsSM Reward Program

Members earn Blue Points for engaging in certain healthy activities. The points are redeemable for popular health and wellness merchandise and service reward items.*

Fitness Program

Regular exercise is an essential part of healthier living. With the Fitness Program, members and their covered dependents (age 18 and older) are eligible to participate and receive a flexible membership that allows them access to fitness centers nationwide.

Weight Management

Get guidance and support for healthy eating habits and weight loss. Set goals, create action plans, and get coaching to stay motivated.

Tobacco Cessation

Want to stop smoking? Our Tobacco Cessation program can help with tools, coaching and support, plus discounts for wellness-related products and services.



Take the Health Risk Assessment (HRA) to gain information about your personal risks and strengths. You may print out the results and even have them sent directly to your personal doctor.

* Blue Points Program Rules are subject to change without prior notice.

PERSONAL MEDICAL INFORMATION RECORD

DOLLARS & SENSE

Getting Organized

If you don't have an organized file on your family already, start creating one now. The file should contain each family member's medical history and current medical information.

Make copies and fill in all the relevant information for each member of your family. Once you have an up-to-date family medical file, you're organized and ready, even in the event of an emergency.

Name _____

Birth Date _____

PRIMARY CARE PHYSICIAN

ALLERGIES

Name _____

Phone _____

OTHER PHYSICIAN

MEDICAL CONDITIONS

Name _____

Speciality _____

Phone _____

OTHER PHYSICIAN

TESTS, SURGERIES AND DATES

Name _____

Speciality _____

Phone _____

MEDICATIONS AND DOSAGE

IMMUNIZATIONS AND DATES
