

Cardinal  
Innovations  
Healthcare

# Employee Benefits

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HEALTHCARE

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**Disclaimer:** Cardinal Innovations Healthcare reserves the right to modify any of its benefit plans, policies or procedures at any time. The information herein is provided for guidance purposes only and does not otherwise create an express or implied contract between the company and any of its employees.

# Cardinal Innovations Healthcare's Employee Benefits Programs

Cardinal Innovations Healthcare is committed to providing comprehensive and competitive benefits plans and programs for our valued employees and their eligible dependents.

This booklet summarizes the current benefits plans offered. Detailed information for each benefit is provided on the company intranet site. A *Benefits Provider Directory* is posted if you want to contact an insurance provider directly. Additional questions can be directed to our 24/7 benefits advocacy hotline, your Human Resources Business Partner, or the HR Benefits office.

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## Eligibility Requirements

All full-time employees (or part-time employees who work 30 hours or more per week) are eligible to enroll in the benefits plans and programs offered by Cardinal Innovations, in accordance with the terms of each plan. (Employees who work 20 hours or more per week are eligible to participate in the 401(k) savings plan and accrue prorated PTO.)

## Effective Date

Employees should enroll within 7 days from their date of hire to ensure accurate payroll deductions. With enrollment, benefits elections take effect **the first day of the month following or coinciding with the date of hire**. For example:

- **Employee who is hired between May 2 through May 31** – the effective first date of benefits coverage would be June 1.
- **Employee who is hired on May 1** – the employee's effective first date of benefits coverage is May 1 because the hire date coincides with the first calendar day of the month.

## How to Enroll

You will attend New Employee Orientation or meet with your Human Resources Business Partner on or shortly after your hire date and receive instructions on how to make your benefits elections online. **Complete your benefits elections within seven days from your date of hire** to ensure accurate payroll deductions are taken from your first paycheck.

Information you will need to enroll your eligible dependents includes: Social Security Numbers, dates of birth and correct spelling of legal names. In the event that you do not wish to elect a particular benefit for yourself or one of your eligible dependents, you will be able to waive that coverage when you complete your benefits enrollment.

## Eligible Dependents

Dependent eligibility is defined by each benefit plan. Employees are responsible for the accuracy and verification of each dependent's eligibility, which is subject to periodic audit. Employees may add or drop dependents only during annual open enrollment, unless there is a qualifying "life event" that occurs during the plan year. Examples of qualifying life events include (but are not limited to):

- Marriage or divorce
- Birth or adoption of a child
- Death of a dependent
- Medicare entitlement
- Loss of other health care coverage
- Dependent no longer meets 'eligibility' requirements of that plan

**Note:** The documentation required for each qualifying life event must be submitted via the online enrollment tool no later than 30 days following the event. Failure to do so will mean that the employee cannot make that benefit change until the next Annual Enrollment period.

# Health and Welfare Benefits



**Note:** Rates for the benefits outlined below appear in a separate brochure entitled *Summary of Benefits*, which also provides additional details about each of these plans. **Employees** can access it anytime on the Employee Central - Benefits page on the intranet. **Candidates** considering employment with Cardinal Innovations can request a copy from Human Resources once a verbal offer has been made.

## Medical Insurance

Employees may choose from one of three comprehensive medical plans:

- **Core HSA Plan** – a consumer-driven health plan that offers the lowest rate choice. Employees who choose this plan receive a semi-monthly company-provided contribution into a health savings account.
- **Premium HSA Plan** – a consumer-driven health plan that offers increased coverage and a lower deductible than the Core HSA Plan. Employees who choose this plan also receive a semi-monthly company-provided contribution into a health savings account.
- **PPO Plan** – a Preferred Provider Organization plan which offers copayments for doctor appointments and prescription drugs. Utilizing a preferred provider can further reduce out of pocket costs.

Qualified *preventive* care is covered at 100% for all plans.

Prescription drug benefits are included in your medical plan and incurred costs contribute to your medical deductible and out of pocket maximum.

A spousal surcharge will be applied if you elect to add your spouse for coverage under Cardinal Innovations' medical plan when that individual is already eligible for healthcare coverage offered by their own employer. A tobacco surcharge will be applied if you are a tobacco user.

## Health Savings Account

Employees who elect either the Core or Premium HSA medical plan are eligible to contribute to a Health Savings Account (HSA), which allows you to set aside pretax dollars to pay for health care expenses. Allowable health care expenses (as defined by the IRS) include but are not limited to medical, dental, vision, health care deductibles, prescription drugs, and long-term care.

An added benefit is that the company contributes to your HSA if you are enrolled in the Core or Premium HSA medical plan. (A portion of this employer funding is a match on the employee's personal contributions.) HSA funds roll over year to year and belong to the employee once they are contributed to the account, even if the employee leaves the company.

## Cardinal Innovations Healthcare

### Dental Insurance

Employees may elect dental insurance that provides coverage for preventive and diagnostic care, including orthodontia, with a choice of High or Low coverage plans.

### Vision Insurance

Employees may purchase vision insurance coverage which discounts the cost of an eye exam as well as frames, lenses and contacts.

### Healthcare Flexible Spending Account (Healthcare FSA)

The healthcare FSA allows employees to set aside pre-tax dollars in a savings account to pay for medical, dental, and vision expenses. This account is subject to applicable IRS rules, including savings and rollover limits.

### Dependent Care Flexible Spending Account (Dependent Care FSA)

The Dependent Care FSA allows you to set aside pre-tax dollars in a savings account to pay for eligible dependent daycare expenses. This account is subject to all applicable IRS regulations, which include:

- The daycare expense must be to allow you and your spouse to work, actively look for work, or be a full-time student.
- Your dependent must live with you and must be 12 years old or younger. A dependent age 13 or older can be eligible if you can provide proof that the dependent cannot physically or mentally care for himself/herself.
- The care provider cannot be a dependent on your tax return or your own child under the age of 19.

### Life and Disability Plans

All regular full-time (or part-time employees who work 30 hours or more per week) are covered under these **company-paid** insurance plans:

- **Group Term Life and AD&D Insurance** – coverage for each plan is equal to one times your annual base pay.
- **Short-Term Disability** – begins to provide coverage after 14 calendar days of qualified disability.
- **Long-Term Disability** – begins to provide coverage after 180 consecutive days of qualified disability.

**You may purchase supplemental coverage for any of these group insurance plans (offered at discounted rates):**

- **Supplemental Term Life Insurance (employee + dependents)** – coverage purchased in addition to company provided group term life insurance.
- **Accident Insurance (employee + dependents)** – supplemental health insurance that provides cash benefits for injuries resulting from an accident.
- **Critical Illness Insurance (employee + dependents)** – supplemental health insurance that provides cash benefits resulting from critical illnesses, including heart attack, stroke, cancer, renal failure and many others.
- **Hospital Indemnity Insurance (employee + dependents)** – supplemental health insurance that provides cash benefits following admission to a hospital for up to 15 days per year.
- **Legal Services & ID Theft Protection (employee + dependents)** – provides 100% coverage for the most often needed legal services, as well as identity theft protection and restoration.

## Employee Assistance Plan, Work-Life, Advocacy, and Wellness

**EAP** – all employees are covered by the Employee Assistance Plan which provides access to confidential counseling services for personal or work-related concerns. Services include individualized counseling, 24-hour emergency service, online resources and referrals to community resources. Services are available to employees, their families and household members.

**Work-Life Services** – all employees have access to Work-Life services, which provides telephone advice and online resources for managing life changes that include but are not limited to education, elder care, childcare, legal, financial, health and wellness; provided free of charge.

**Benefits Advocacy Services** – all employees have access to a personal health advocate who, among other things, can aid in finding the best doctors and hospitals, scheduling timely appointments, obtaining services for elderly parents, or navigating complicated claim or billing issues.

**Wellness Program** – all employees are encouraged to participate in wellness initiatives, such as onsite flu shot clinics and health education seminars. Additionally, completion of recommended wellness goals each year can earn incentives, such as medical premium credits.

## 401(k) Plan

The company offers a 401(k) savings plan to help employees set aside funds toward retirement and offers pre-tax savings (subject to IRS limits). Additionally, there is a Roth option to contribute post-tax dollars to your 401(k) account. The company provides both a matched and unmatched contribution to the employee's account as follows:

- 1) **Company Matched Contribution** – the company matches 100% of your contribution up to 3%.
- 2) **Company Unmatched Contribution** – the company provides an additional percentage of your salary (separate from the matched contribution) based on years of service as follows:

<b>After 2 Years of Employment</b>	<b>4%</b>
<b>After 5 Years of Employment</b>	<b>5%</b>
<b>After 10 Years of Employment</b>	<b>6%</b>
<b>After 15 Years of Employment</b>	<b>7%</b>

- Newly-hired employees are automatically enrolled upon hire at a contribution rate of 6%. The election takes effect on the **1<sup>st</sup> of month** following or coinciding with the date of hire. If no changes are made, your contribution will automatically increase by 1% each January 1<sup>st</sup>, up to a maximum of 10%.

## 457(b) Deferred Compensation Plan

Employees may also set aside pretax dollars for retirements savings into the 457(b) deferred compensation plan. There is no company contribution to this plan.

## 529 College Savings Plan

Employees may contribute to a 529 College savings account through post-tax payroll deductions to be used for their own or a dependent's college costs (subject to IRS guidelines). Allowed expenses include tuition, fees, room, board, books, supplies and equipment required for school enrollment. The earnings in this savings account grow tax-free and there are no Federal taxes when funds are withdrawn to pay for qualified expenses.

# Leave and Absence Benefits



The following leave and absence benefits are provided (subject to company policies and procedures).

## Paid Time Off

Full-time employees earn a bank of paid time off (PTO) available for use each calendar year, the amount of which is based on credited years of service with Cardinal Innovations as shown in the table below. A part-time employee who works 20 hours or more per week will earn PTO Bank time on a pro-rated basis. The PTO Bank provides for planned absences such as vacation or personal time, as well as unplanned absences for illness or dependent care. The PTO Bank is a flexible benefit for the employee to invest in family, cultural events and overall well-being.

	<b>Credited Years of Service</b>	<b>Total PTO Bank days per Calendar Year</b>
<b>Level 1</b>	0 – 3 years	<b>20</b>
<b>Level 2</b>	4 – 12 years	<b>25</b>
<b>Level 3</b>	13 years or more	<b>30</b>

The PTO Bank accrues semi-monthly but may be scheduled and taken in advance. Paid time off is to be used in the calendar year in which it is accrued. A maximum of 5 five unused PTO days may be carried over to the following calendar year.

## Holidays

Cardinal Innovations recognizes the following ten holidays as company-paid time off for full-time employees. Part-time employees working 20 hours or more per week are eligible if the holiday falls on a regularly scheduled work day.

<p><b>New Year's Day</b> <b>Dr. Martin Luther King Jr. Day</b> <b>Memorial Day</b> <b>Independence Day</b> <b>Labor Day</b> <b>Thanksgiving Break (2 days)</b> <b>Winter Break (3 days)</b></p>
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## Maternity/Paternity Leave

Full-time employees may take up to 10 consecutive paid days of maternity or paternity leave off for the birth or adoption of a child. Part-time employees working 20 hours of more per week receive this benefit on a pro-rated basis, based on the employee's regular part-time work day schedule.

## Bereavement Leave

Full-time employees are provided up to 3 consecutive paid days off for bereavement of an immediate family member or up to 1 paid day off for other close person. Part-time employees working 20 hours or more per week are eligible for bereavement leave on a pro-rated basis, based on the employee's regular part-time work day schedule.

## Family Medical Leave Act (FMLA)

FMLA provides up to 12 weeks of unpaid, job-protected leave to eligible employees. FMLA and some state laws require Cardinal Innovations to give periods of time off for certain family and medical reasons. An employee may take leave for a qualifying exigency (military related) of an immediate family service member or to care for a next of kin service member for medical reasons. You may be eligible for FMLA if you have worked for Cardinal Innovations for at least one year and worked at least 1,250 hours over the previous 12 months.



### Still have questions?

- Please write to the HR representative assisting with your offer of employment.

### Additional Reference materials:

- Visit the **Employee Central - Benefits** site on the intranet to view detailed benefits information and rates.
- Employee Procedure 3700 – Paid & Unpaid Leave Programs