



**WAKEMED  
EMPLOYEE BENEFITS SUMMARY**

Effective Date: January 1, 2011

Prior Revision Dates: January 1, 2010, October 1, 2009, July 1, 2009, January 1, 2009, 2008, 2007, 2006, 2005, 2004, 2003, 2002, 2001, 2000, 1999

**Disclaimer: This is only a brief overview of employee benefits; please refer to the summary plan description, the plan document or contact the Benefits Department for more detailed information.**

**I. DEFINITIONS**

- A. ASSIGNED HOURS** - Number of hours employee is assigned to work each pay period in the payroll system.
- B. ANNUALIZED SALARY** - To determine annualized salary, multiply your hourly pay rate times the number of hours you are assigned to work each pay period, then multiply that amount times 26.
- C. PRE-TAX DEDUCTION** - Premiums that employees pay for medical, dental, disability and supplemental life insurance, as well as spending accounts, are not subject to state, federal and FICA (social security) tax. 403(b) contributions are not subject to state and federal tax, but are subject to FICA.
- D. FULL-TIME EMPLOYEES** - Regular (non-temporary) employees assigned at least 70 hours per pay period. This also includes applicable Weekend Option staff. Life and disability benefits are based on base salary only.
- E. THREE-QUARTER-TIME EMPLOYEES** - Regular (non-temporary) employees assigned between 60 and 69 hours per pay period. This also includes applicable Weekend Option staff. Life and disability benefits are based on base salary only.
- F. PART-TIME EMPLOYEES** - Regular (non-temporary) employees assigned between 40 and 59 hours per pay period. This also includes applicable Weekend Option staff. Life and disability benefits are based on base salary only.
- G. SUPPLEMENTAL & TEMPORARY EMPLOYEES** - Employees hired to work on an as-needed or temporary basis.

**II. BENEFITS AVAILABLE TO FULL-TIME, THREE-QUARTER-TIME AND PART-TIME EMPLOYEES**

All benefits are effective the beginning of the month following 30 days of eligibility. With the exception of dependent life insurance, benefit deductions are taken from pay on a pre-tax basis.

**A. MEDICAL BENEFIT PLANS**

To provide competitive employee-paid premiums, WakeMed subsidizes all options. Employee costs are as follows:

**Full-Time Employee Costs (twice per month):**

<u>Providers</u>	<u>Employee Only</u>	<u>Employee + Child(ren)</u>	<u>Employee + Spouse</u>	<u>Employee + Family</u>
<b>BCBSNC BLUE OPTIONS</b>				
PPO Select	\$ 40.00	\$135.00	\$175.00	\$226.50
PPO Premiere	\$ 60.50	\$168.50	\$207.00	\$286.00

**Three-Quarter-Time Employee Costs (twice per month):**

<u>Providers</u>	<u>Employee Only</u>	<u>Employee + Child(ren)</u>	<u>Employee + Spouse</u>	<u>Employee + Family</u>
<b>BCBSNC BLUE OPTIONS</b>				
PPO Select	\$ 96.00	\$214.50	\$265.50	\$335.00
PPO Premiere	\$121.00	\$248.50	\$293.50	\$406.00

**Part-Time Employee Costs (twice per month):**

<u>Providers</u>	<u>Employee Only</u>	<u>Employee + Child(ren)</u>	<u>Employee + Spouse</u>	<u>Employee + Family</u>
<b>BCBSNC BLUE OPTIONS</b>				
PPO Select	\$152.50	\$295.50	\$356.00	\$446.00
PPO Premiere	\$181.50	\$329.00	\$383.00	\$519.00

Prescription drug coverage is provided by Express Scripts (ESI) and is included in the cost of the medical plan. Employees must be enrolled in the medical plan to be eligible to receive pharmacy benefits.

**B. VISION PLAN INSURANCE**

Employees may purchase vision plan insurance as a voluntary benefit through payroll deduction. Employee costs are as follows (twice per month):

<u>Employee Only</u>	<u>Employee + Children</u>	<u>Employee + Spouse</u>	<u>Employee + Family</u>
\$3.80	\$7.59	\$7.21	\$11.16

**C. DENTAL INSURANCE**

To provide competitive employee-paid premiums, WakeMed subsidizes all options. Employee costs are as follows (twice per month):

	<u>Employee Only</u>	<u>Employee + 1 Dependent (spouse or child)</u>	<u>Employee + Family (2 or more)</u>
Full-time cost:	\$3.95	\$12.35	\$26.20
Three-quarter-time cost:	\$6.55	\$14.70	\$28.30
Part-time cost:	\$8.40	\$17.00	\$30.40

**D. LIFE INSURANCE**

**At no cost to the employee**, employees receive 1x projected annual base salary (no special pays are included) in life insurance and accidental, death and dismemberment (AD&D) coverage rounded to the next higher \$1,000, subject to a minimum of \$10,000 and a maximum of \$600,000 worth of coverage.

**E. SUPPLEMENTAL LIFE AND AD&D INSURANCE**

Employees may purchase up to 3x projected annual base salary (no special pays are included) in life insurance and AD&D coverage rounded to the next higher \$1,000, subject to a minimum of \$10,000 and a maximum of \$600,000 worth of coverage. Amounts of supplemental life insurance over \$350,000 are subject to evidence of insurability. Cost twice per month = Base annualized salary x increment (1x, 2x, 3x) of life insurance desired; round up to next \$1,000 x .000105. Example for employee with \$24,230 annualized salary to purchase an additional two times salary in life insurance: \$24,230 x 2 = \$48,460 rounded up to next higher \$1,000 (\$49,000) x .000105 = \$5.15.

**F. DEPENDENT LIFE AND AD&D INSURANCE**

Employees may purchase life and AD&D insurance coverage to cover all of their dependents at one rate. The following options are available and deductions are taken on an after-tax basis:

- \$ 2,000 coverage for all dependents = \$ .44 twice per month
- \$ 5,000 coverage for all dependents = \$ 1.08 twice per month
- \$ 10,000 coverage for all dependents = \$ 2.15 twice per month

**G. LONG-TERM DISABILITY INSURANCE**

**At no cost to the employee**, full-time and three-quarter-time employees receive long-term disability insurance coverage. Insurance provides 60% base salary replacement (no special pays are included), not to exceed \$7,500 per month (\$7,500 x 12 months = \$90,000 annual base salary), beginning on the

91<sup>st</sup> day of a qualifying disability. Salary replacement benefit is subject to income tax. Part-time employees may purchase this coverage. Cost twice per month = Base annualized salary x .000129167; example for a part-time employee with \$14,500 annualized salary to purchase long-term disability insurance: \$14,500 x .000129167 = \$2.20.

**H. SHORT-TERM DISABILITY INSURANCE**

Full-time, three-quarter-time and part-time employees may purchase short-term disability insurance which provides 60% base salary replacement (no special pays are included), up to a maximum of \$1,000 per week, beginning on the 31<sup>st</sup> day of a qualifying disability and continuing through the 90<sup>th</sup> day. Cost twice per month = Base annualized salary x .000167308; example for an employee with \$24,500 annualized salary to purchase short-term disability insurance: \$24,500 x .000167308 = \$4.24.

**I. PRE-TAX SPENDING ACCOUNTS**

**1. Health Care Spending Account**

Employees may contribute up to \$3,500 per year into a pre-tax account to pay for uninsured medical, dental or vision expenses. Unused funds are forfeited.

**2. Dependent Care Spending Account**

Employees may contribute up to \$5,000 per year if single or married filing a joint income tax return, or \$2,500 if married, filing a separate income tax return, into a pre-tax account to pay for dependent childcare expenses. This account may also be used for eldercare if the person is claimed as a dependent on your tax return. Unused funds are forfeited.

**J. PAID LEAVE**

**1. Paid Days Off (PDO) Accrual**

Employees accrue the same amount of PDO (holiday, vacation, personal and sick time) hours each pay period they receive a paycheck. The amount of accrual is based on length of service since your most recent hire date and assigned hours (FTE). Employees assigned 80 hours per pay period accrue PDO as indicated in the table below.

<u>Length of Service</u>	<u>Estimated Annual Accrual</u>	<u>Pay Period Accrual</u>
< 2 years	208 hours	8.00 hours
2 - 5 years	232 hours	8.92 hours
5 - 10 years	248 hours	9.54 hours
10 - 15 years	288 hours	11.08 hours
> 15 years	328 hours	12.62 hours

Hours are prorated for those assigned less hours. To calculate accrual use this formula:  
Assigned Hours / 80 x Pay Period Accrual amount indicated above. Example for an employee assigned 72 hours who has been employed for 3 years = 72 / 80 x 8.92 = 8.03 hours accrual per pay period.

**2. Bereavement Leave**

Full-time, three-quarter-time and part-time employees receive paid leave for up to 24, 16 and 8 hours, respectively, per death of immediate family members.

**3. Jury Duty Leave**

Employees receive paid leave for the duration of the jury duty assignment.

**K. TUITION AND SPECIALTY CERTIFICATION REIMBURSEMENT**

Full-time employees may receive reimbursement for tuition/book expenses up to \$1,500 per fiscal year upon successful completion of academic coursework that is approved. Three-quarter-time and part-time employees may receive up to \$1,125 and \$750, respectively. Within the above-stated annual maximum limits, allied health/nursing specialty certification and recertification fees are reimbursed 100% up to \$200 for one certification or recertification per fiscal year. Reimbursement is made only after successful course, certification, or recertification completion. Funds may be limited; they are distributed on a first come first served basis.

**L. TRAVEL/ACCIDENT POLICY**

Full-time, three-quarter time, and part-time employees are covered for any accidents that may occur while traveling for business-related purposes.

### III. BENEFITS AVAILABLE TO ALL EMPLOYEES

#### A. RETIREMENT SAVINGS PLAN – DEFINED CONTRIBUTION PLAN

WakeMed matches employee contributions into a 403-b tax deferred savings plan. For every \$1 contributed by the employee, WakeMed contributes 50% of the first 6% of salary the employee saves, subject to governmental limitations. Employees are vested and own 100% of the WakeMed contributed funds once they have completed three calendar years of vesting service. Employee contributions always belong to the employee.

#### B. KIDWORKS, OPERATED BY LITTLE PRO'S ACADEMY

Subsidized childcare services are available to employees for their dependent children on a first-come first-served basis. If there are no employees' children on the waiting list, grandparents may enroll their grandchildren at the rates listed below. Staff will make payments directly to Kidworks at Little Pro's Academy. Calendar year 2011 weekly rates are as follows:

	<u>All Staff</u>
Infants	\$243.00
Toddlers	\$228.00
Two Yr. Olds	\$200.00
Three Yr. Olds	\$187.00
Four Yr. Olds	\$187.00
Part-time	\$182.00

Employees will be subject to income taxes on the value of any subsidy for daycare at Kidworks.

#### C. EMPLOYEE ASSISTANCE PROGRAM

All employees and their immediate family members are eligible to take advantage of professional, confidential counseling services at no charge.

#### D. WAKESHARE

Employees who have worked 500 or more hours during the fiscal year are eligible to participate in the WakeMed gainshare program, a financial incentive program that shares the financial success of the organization with employees. Employees may receive up to 6% of their annual earnings in a lump sum in December. Refer to WakeShare Employee Incentive Compensation Plan policy for specific eligibility criteria.

#### E. FINANCIAL PLANNING EDUCATION

VALIC Retirement, the Retirement Savings Plan coordinator for WakeMed, provides on-going education sessions on-site for employees. Topics include, but are not limited to, Retirement Strategies for Women, Retirement Strategies for Life, Education Funding, Cash Management, Retirement Income Solutions and Retirement Planning.

#### F. COLLEGE SAVINGS PLAN

Employees may elect to save for college education for a child or other beneficiary with a Section-529 College Savings Plan. Payroll deduction is available for benefits-eligible employees. Supplemental employees may elect to have this savings plan set up as a bank draft from their personal checking or savings account.

#### G. CREDIT UNION

WakeMed employees are eligible for membership in the Freedom Federal Credit Union. The credit union office is located on-site at the WakeMed New Bern Avenue campus and Cary Hospital. Credit Union members are eligible for savings and checking accounts, as well as loans. Term life insurance, cancer insurance, accident insurance, heart/stroke insurance, and other services may be purchased with automatic deductions from your credit union account.

#### H. CORNERSTONES WILL AND PERSONAL PLANNING DOCUMENTS

Financial Soundings' Cornerstones Will and Personal Planning documents program allows WakeMed employees and family members to execute a will, while also creating the legal documents required to establish a financial power of attorney, a health care power of attorney, a health care directive and appropriate beneficiary designations for a significantly discounted price of \$89 for the full set of documents for an individual and \$79 for a spouse. For more information on this benefit, you may visit [www.financialsoundings.com](http://www.financialsoundings.com).

**I. MISCELLANEOUS BENEFITS**

Automated Teller Machines  
Bi-Lingual Pay  
Classified Ads Online  
Direct Deposit of Payroll Checks  
Free Parking  
Gift Shops  
Healthworks Discounts  
Lactation Rooms

Medical Library  
Merchant Discounts Fair  
Occupational Health Services  
Pharmacy  
Professional Development & Educational Classes  
Wake Specialty Physicians – Employee Health  
Wellness Fair and Programs

WakeMed reserves the right to amend or cancel any benefit described in this Employee Benefits Summary at any time without prior notice. However, employees will be notified of changes as soon as reasonably possible. Any amendment or cancellation will be made in accordance with the separate plan document or policy, if any, that provides for the benefit.

Any deviation from this policy requires the approval of the Senior Vice President for Human Resources, Executive Vice President, or President.