



USA HEALTHCARE
MANAGEMENT, LLC

*Summary of Staff Employee
Benefits*

January 1, 2011

USA HEALTHCARE MANAGEMENT, LLC STAFF EMPLOYEE BENEFITS

This quick reference guide provides a summary of staff employee benefits, including a brief description of each benefit. Benefits and an employee's right to them are subject to certain laws, University and USA HealthCare Management, LLC regulations, individual plan documents and the appropriate duly recorded notice of employee benefits limitations election form. Additional information is provided in the individual plan booklets and brochures. The University and the USA HealthCare Management, LLC reserve the right to either change, modify, or terminate these benefits at any time.

Employees must enroll in benefit programs within the first 30 days of employment, after a qualifying "change in status" event or during the Open Enrollment period.

Additional benefits information may be obtained from Human Resources at the following addresses:

UNIVERSITY OF SOUTH ALABAMA

Human Resources
650 Clinic Drive
TRP III, Suite 2200
Mobile, Alabama 36688-0002
Phone: (251) 460-6133
Fax: (251) 460-7483
E-mail: hrmaincampus@southalabama.edu

USA MEDICAL CENTER

Human Resources
2451 Fillingim Street
Mobile, Alabama 36617-2293
Phone: (251) 471-7325
Fax: (251) 471-7075
E-mail: hirusamc@southalabama.edu

USA CHILDREN'S AND WOMEN'S HOSPITAL

Human Resources
1700 Center Street
Mobile, Alabama 36604-3391
Phone: (251) 415-1604
Fax: (251) 415-1606
E-mail: hirusacw@southalabama.edu

Human Resources Website
<http://www.southalabama.edu/hr>

The USA HealthCare Management, LLC is an
Equal Opportunity/Equal Access Employer

HEALTH & DENTAL PLANS

USA Health & Dental Plan

Company: Blue Cross Blue Shield of Alabama
Website: www.bcbsal.com
Phone: 800-292-8868

The USA Health & Dental Plan provides comprehensive health and dental benefits received within a network of Blue Cross Blue Shield providers. Within the USA Health & Dental Plan is a network of hospitals, physicians, outpatient clinics and other providers affiliated with the University of South Alabama. Their participation in the USA Health & Dental Plan allows members to receive medical care at a lower cost to both the Plan and the member. Outside the state of Alabama, Blue Cross Blue Shield providers are members of the BlueCard PPO Network.

New enrollees and their dependents age 19 and over must be covered under the USA Health & Dental Plan for a period of 270 days before benefits are payable for pre-existing conditions. Certificates of creditable coverage from a previous health plan will not be accepted to offset the preexisting conditions exclusion. Maintaining insurance from a previous employer, if applicable, may provide coverage until the pre-existing conditions period is satisfied.

Open Enrollment for USA Health & Dental Plan is held annually in November with coverage effective January 1. The 270-day pre-existing conditions period applies during Open Enrollment.

Employee Cost:

Single	\$101 per month
Family	\$277 per month

Employer Cost:

Single	\$348 per month
Family	\$637 per month

The University of South Alabama and the USA HealthCare Management, LLC encourage all employees to adopt healthy lifestyle choices. We have implemented a tobacco cessation program intended to help employees stop using tobacco products, which will greatly improve their health.

Employees and their spouses who declare that they do not use tobacco products (and have not for at least six months) will be eligible to receive a \$25 wellness incentive (one per family). Employees are required to certify on the enrollment application that they do not use tobacco products.

Employees who declare that they and their covered spouses do not use tobacco products will pay a monthly premium of \$76 for single and \$252 for family.

Employees and their covered spouses who use tobacco products are not eligible for the \$25 wellness incentive. However, employees and their covered spouses can qualify for the \$25 wellness incentive after they stop using tobacco products for at least six months.

Premium Conversion

With premium conversion, USA Health & Dental Plan premiums are automatically deducted before any federal, state or Social Security taxes are withheld. The result is a reduction of taxable income equal to the amount paid for health and dental insurance during the calendar year.

FLEXIBLE SPENDING ACCOUNTS

Flexible Spending Accounts (SouthFlex)

Company: Blue Cross Blue Shield of Alabama

Website: www.bcbsal.com

Phone: 800-213-7930

Eligible employees can take advantage of flexible spending accounts which are administered by Blue Cross Blue Shield of Alabama. Participants can set aside pre-tax money through payroll deductions to pay for qualified health care expenses, including deductibles and copays, out-of-pocket dental expenses and qualified dependent child care expenses. Money set aside in these accounts will reduce taxable income, providing participants with more value for the dollar. Blue Cross Blue Shield will automatically reimburse claims for out-of-pocket expenses that are processed by the USA Health & Dental Plan. As other eligible expenses are incurred such as dependent care expenses, claims may be filed for reimbursement. The employer pays all administrative expenses for this benefit.

LIFE & DISABILITY PLANS

Employer-Paid Group Term Life Insurance

Company: The Standard

Website: www3.standard.com

Phone: 800-628-8600

The employer provides at no cost to benefits eligible employees a group term life insurance plan from The Standard. Coverage is provided in accordance with the following schedule:

Annual Base Salary	Coverage Amounts *
\$12,500 or less	\$25,000
\$12,501 - \$15,000	\$26,500
\$15,501 - \$17,500	\$28,000
\$17,501 - \$20,000	\$32,000
\$20,001 - \$22,500	\$36,000
\$22,501 - \$25,000	\$38,000
\$25,001 - \$30,000	\$42,000
\$30,001 - \$35,000	\$45,000
\$35,001 - \$38,500	\$48,000
\$38,501 and over	125% of salary (\$100,000 maximum benefit)

*Includes a \$5,000 benefit for spouse and eligible children

Employer-Paid Accidental Death & Dismemberment Insurance

The employer provides at no cost to eligible employees an Accidental Death & Dismemberment (AD&D) policy from The Standard in the amount equal to the Basic Term Life Insurance if death was caused by an accident. AD&D also pays a benefit if a serious injury results in dismemberment.

Additional Group Term Life Insurance

Additional term life insurance equal to one, two, or three times the basic coverage is available to the employee at group rates. Employees applying for additional coverage must be medically underwritten. Additional coverage for spouse and dependent children is available and is also subject to underwriting.

Employer Paid—Long Term Disability Insurance

Company: Reliance Standard Life Insurance Company

Website: www.rsl.com

Phone: 800-351-7500

The employer provides at no cost to eligible employees long term disability insurance through Reliance Standard Life Insurance Company. After a 90-day period of disability, 66 2/3% of the employee's base monthly salary will be paid for permanent or temporary total disability, subject to policy provisions, up to a maximum benefit of \$10,000 a month.

RETIREMENT PLANS

USA HealthCare Management, LLC

Defined Contribution Plan—Matching Retirement Plan

Company: TIAA-CREF

Website: www.tiaa-cref.org

Phone: 800-842-2776

The USA HealthCare Management, LLC provides a defined contribution plan which enables employees to use pre-tax income to contribute to their retirement. Participation is voluntary. The plan currently matches employee contributions dollar for dollar up to 5% of W-2 earnings. This plan allows eligible employees to invest in fixed and variable annuities and mutual funds in tax-deferred accounts. Employer contributions will be credited to a 403(b) Group Retirement Annuity (GRA) with TIAA-CREF. Employee contributions will be credited to a 403(b) Group Supplemental Retirement Annuity (GSRA).

Eligible employees hired on or after October 1, 2010, will be fully vested in the employer matching contributions at the completion of three (3) years of continuous employment.

Employees may reduce their state and federal taxable income by contributing up to \$16,500 (\$22,000 if over age 50) annually.

With this defined contribution plan, employees make their own investment decisions. Depending on their personal investment goals, employees can choose one or more of the plan's investment options, each of which offers a different combination of risk and return. The transfer and withdrawal restrictions of the funds and accounts also differ and should be taken into consideration. Employees may choose a fund based on their closest estimated retirement year or may build their own portfolio from the funds available.

USA HealthCare Management, LLC

Defined Contribution Plan—Supplemental Retirement Plan

Company: TIAA-CREF

Website: www.tiaa-cref.org

Phone: 800-842-2776

The USA HealthCare Management, LLC provides a 403(b) supplemental retirement plan through TIAA-CREF that allows eligible employees to invest in fixed and variable annuities and mutual funds. Employees may contribute non-matched pre-tax contributions above the 5% to a 403(b) Group Supplemental Retirement Annuity (GSRA) with TIAA-CREF.

MISCELLANEOUS PLANS

Tuition Reimbursement

Employee—Upon completion of 6 months of employment prior to registration, regular full-time employees may apply for tuition reimbursement for successful completion of up to five credit hours per semester, plus refund of the University registration fee. The employee must receive a minimum grade of a C to be eligible for a refund for a course(s) taken.

Spouse/Dependents—Tuition reimbursement is also available to the spouse and unmarried dependent children (under age 25) of employees who are eligible for the education benefit. Reimbursement is 50% of tuition only (no fees) with no hour maximum. Spouse/dependents must receive a minimum grade of D for undergraduate course(s) and C for graduate course(s).

The employee pays the total cost at registration and is reimbursed upon successful course completion and request for reimbursement. In accordance with current federal law, all reimbursements for spouse and eligible dependents classified as graduate students are subject to federal and state income tax.

MEDEX Travel Assist

Company: The Standard

Website: www3.standard.com

Phone: 800-628-8600

This employer-paid benefit provides the employee and their eligible dependents with medical, travel, legal and financial assistance services when faced with an emergency while traveling more than 100 miles away from home.

Employee Assistance Program (EAP)

Phone: (251) 461-1346

The EAP offers confidential counseling and referral services at no cost to the employee.

Employees will also have an opportunity to contribute post-tax contributions to the TIAA-CREF Roth 403(b). Employees may make pre-tax contributions to the 403(b) and post-tax contributions to the Roth 403(b) subject to a combined limit set by Section 402 (g) of the IRS Code.

TIAA-CREF also offers a self-directed Brokerage Services Account which gives employees greater flexibility when building and managing their retirement portfolio. Employees may reduce their state and federal taxable income by contributing up to \$16,500 (\$22,000 if over age 50) annually.

Social Security

Social Security provides protection in the form of retirement benefits, disability income, survivor income and Medicare insurance. Participation is required. For 2011, the employee contribution is 4.2% and the employer contribution is 6.2% of the employee's annual salary up to the maximum taxable earnings base of \$106,800. Contributions for Medicare are 1.45% of the employee's annual salary. The employer contributes a matching amount.

PAID TIME OFF

The Paid Time Off (PTO) benefit program provides employees with paid time away from work that they can use for vacation, sick leave, personal leave, and holiday observances.

Full-time benefits-eligible employees hired *on or after* October 1, 2010, accrue PTO hours as follows:

Years of Continuous Service	Days Accrued Per Year	Monthly Accrual Rate
0—5 yrs (0-60 months)	24	2 days per month
5— 10 yrs (61– 120 months)	28	2.3 days per month
10 or more years (121+months)	32	2.6 days per month

Benefits eligible part-time employees accrue PTO on a prorated basis. For new hires, accruals begin on the initial date of employment.

Employees who do not use all of the PTO hours they accrue within the fiscal year (10/1—9/30) may roll over unused PTO hours from one fiscal year to the next. These hours may not exceed 480 (60 days) on October 1. Any hours above 480 will be paid out up to 80 hours.

Employees may elect to cash out up to 80 PTO hours each year during open enrollment. Employees are required to have an 80-hour (10 days) balance at the time the payment is issued. PTO is paid at 100% of the employee's salary rate.

With a few exceptions, PTO accrued balances will be paid out at 100% up to a maximum of 320 hours when employment ends.

OTHER BENEFITS

- Use of University facilities
- USA Bookstore discount (10%)
- Twenty-five percent (25%) discount on USAMC and USA Children's and Women's hospital charges after group insurance has paid
- USA Federal Credit Union
- Free admission to athletic events (excludes tournaments and football)
- A discount, up to 20%, on season tickets for all ticketed sports, up to a maximum of 6 tickets per employee
- Local restaurant discounts