USA HealthCare Management, LLC

Summary of Benefits for
Designated Faculty/Physicians in the Health Systems Division
(Employed on or after January 1, 2013)

January 1, 2016
USA HEALTHCARE MANAGEMENT, LLC
DESIGNATED
FACULTY/PHYSICIANS BENEFITS
(Employed on or after January 1, 2013)

This quick reference guide provides a summary of benefits for designated faculty/physicians, 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: hrusamc@southalabama.edu

USA CHILDREN’S & WOMEN’S HOSPITAL
Human Resources
1700 Center Street
Mobile, Alabama 36604-3391
Phone: (251) 415-1604
Fax: (251) 415-1606
E-mail: hrusacw@southalabama.edu

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.

Effective January 1, 2016, prescription drug coverage with the USA Health & Dental Plan will be administered by Express Scripts, Inc.

Open Enrollment for the USA Health & Dental Plan is held annually in November with coverage effective January 1.

Employee Cost:
Single $178 per month
Family $468 per month

Employer Cost:
Single $426 per month
Family $870 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, Quit for Life®, 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 $50 wellness incentive (one per family). Employees are required to certify on the enrollment application that they do not use tobacco products.

Employees that declare that they and their covered spouse do not use tobacco products will pay a monthly premium of $128 for single and $418 for family.

Employees and their covered spouses who use tobacco products are not eligible for the $50 wellness incentive. However, employees and their covered spouses can qualify for the $50 wellness incentive after they stop using tobacco products for at least six months.

The USA Health & Dental Plan is committed to helping you achieve your best health. The wellness incentive is available to all employees. If you think you might be unable to meet the standard under this Wellness Program, you may qualify for an opportunity to earn the same reward by different means. Contact the USA Human Resources department for additional information.

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 reimburse claims for out-of-pocket expenses that are processed by the USA Health & Dental Plan and Express Scripts, Inc. 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.

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**LIFE & DISABILITY PLANS**

**University-Paid Group Term Life Insurance**  
Company: The Standard  
Website: www3.standard.com  
Phone: 800-628-8600  
The University 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:

<table>
<thead>
<tr>
<th>Annual Base Salary</th>
<th>Coverage Amounts *</th>
</tr>
</thead>
<tbody>
<tr>
<td>$12,500 or less</td>
<td>$25,000</td>
</tr>
<tr>
<td>$12,501 - $15,000</td>
<td>$26,500</td>
</tr>
<tr>
<td>$15,501 - $17,500</td>
<td>$28,000</td>
</tr>
<tr>
<td>$17,501 - $20,000</td>
<td>$32,000</td>
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<td>$20,001 - $22,500</td>
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<td>$22,501 - $25,000</td>
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</tr>
<tr>
<td>$30,001 - $35,000</td>
<td>$45,000</td>
</tr>
<tr>
<td>$35,001 - $38,500</td>
<td>$48,000</td>
</tr>
<tr>
<td>$38,501 and over</td>
<td>125% of salary ($100,000 maximum benefit)</td>
</tr>
</tbody>
</table>

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

**University-Paid Accidental Death & Dismemberment Insurance**  
The University 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.

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**RETIREMENT PLANS**

**USA HealthCare Management, LLC**  
**Defined Contribution Plan—Matching Retirement Plan**  
Company: TIAA-CREF  
Company: VALIC  
Website: www.tiaa-cref.org  
Website: www.valic.com  
Phone: 800-842-2776  
Phone: (251) 625-4894  
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 earnings, up to an annual employer contribution allowed by the IRC Section 401(a)(17) of $13,250. This plan allows eligible employees to invest in fixed and variable annuities and mutual funds in a tax-deferred account.

Eligible employees 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 $18,000 ($24,000 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  
Company: VALIC  
Website: www.tiaa-cref.org  
Website: www.valic.com  
Phone: 800-842-2776  
Phone: (251) 625-4894  
The USA HealthCare Management, LLC provides a 403(b) supplemental retirement plan 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% match to a 403(b) Supplemental Retirement Plan.
Employees will also have an opportunity to contribute post-tax contributions to the 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.

There is also 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 $18,000 ($24,000 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. In 2016, the employee and the University contribute 6.2% of the employee’s annual salary up to the maximum taxable earnings base of $118,500. Contributions for Medicare are 1.45% of the employee’s annual salary. The University contributes a matching amount. Additionally, the Affordable Care Act imposes a 0.9% Medicare tax on wages earned in excess of $200,000 without regard to the individual’s tax filing status.

PAID TIME OFF

The Paid Time Off (PTO) Benefit program provides designated faculty/physicians with paid time away from work that can be used for vacation, sick leave, personal leave, and holiday observances.

Full-time benefits-eligible designated faculty/physicians accrue a total of 38 PTO days annually (3.17 days per month).

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

Management reserves the right to mandate in advance that PTO hours be used for operational reasons. Each year, management will issue a schedule of declared PTO holidays for the year. The schedule is subject to change.

Designated faculty/physicians who do not use all of the PTO days they accrue within the fiscal year (10/1—9/30) may rollover unused PTO hours from one fiscal year to the next up to the maximum accrual of 90 days.

Upon separation of employment, designated faculty/physicians are not eligible for payout of accrued PTO balances.

MISCELLANEOUS PLANS

Educational Benefit Plan
Employee - Upon completion of 6 months of employment prior to the first day of classes per the University Academic Calendar, regular full-time employees may qualify for a tuition credit for up to five credit semester hours, plus the University registration fee. The tuition credit rate is based on the prevailing College of Arts and Sciences undergraduate tuition rate for all course levels. Employees must maintain at least a 2.0 institutional grade-point average for undergraduate course work and a 3.0 institutional grade-point average for graduate course work for continued eligibility.

Spouse/Dependents – Tuition credit is also available to the spouse and unmarried dependent children (under age 25 on the first day of classes) of employees who are eligible for the educational benefit. The tuition credit is 50% of tuition only (no fees) with no hour maximum. The tuition credit rate is based on the prevailing College of Arts and Sciences undergraduate tuition rate for all course levels. The spouse/dependent children must maintain at least a 2.0 institutional grade-point average for undergraduate course work and a 3.0 institutional grade-point average for graduate course work for continued eligibility.

United Healthcare Travel Assistance
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.

OTHER BENEFITS

• Use of University facilities
• USA Bookstore discount (10%)
• Twenty-five percent (25%) discount on USAMC and USA Children’s & 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