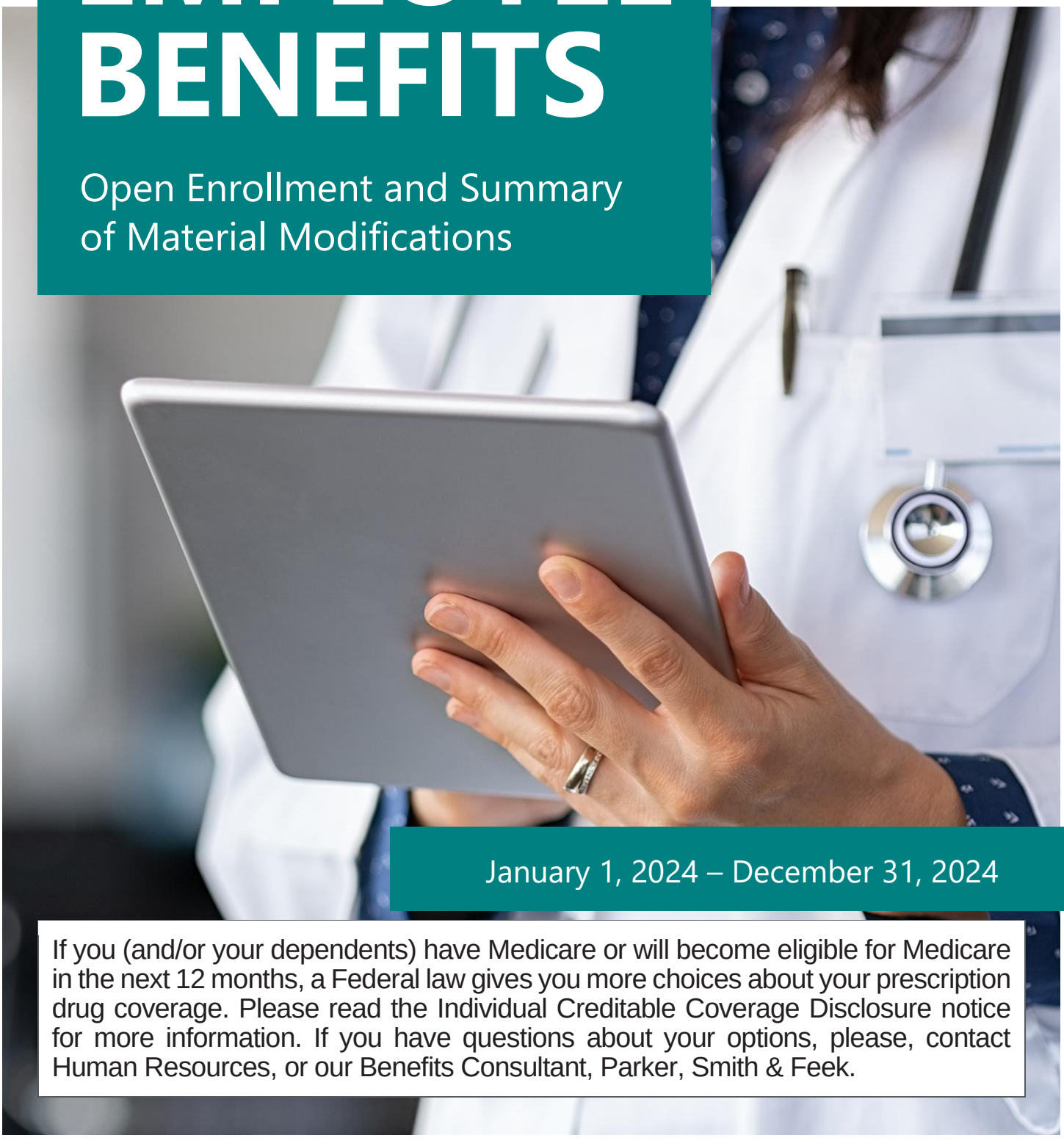
SCOTLAND HEALTH CARE SYSTEM
Closer Care. Better by Far.

EMPLOYEE BENEFITS

Open Enrollment and Summary of Material Modifications



January 1, 2024 – December 31, 2024

If you (and/or your dependents) have Medicare or will become eligible for Medicare in the next 12 months, a Federal law gives you more choices about your prescription drug coverage. Please read the Individual Creditable Coverage Disclosure notice for more information. If you have questions about your options, please, contact Human Resources, or our Benefits Consultant, Parker, Smith & Feek.

Table of Contents

The information in this Benefits Summary is presented for illustrative purposes and is based on information provided by the employer. The text contained in this Summary was taken from various summary plan descriptions and benefit information. While every effort was made to accurately report your benefits, discrepancies, or errors are always possible. In case of a discrepancy between the Benefits Summary and the actual plan documents, the actual plan documents will prevail. For specific tax or legal advice, please consult with your own tax or legal advisor for assistance. All information is confidential, pursuant to the Health Insurance Portability and Accountability Act of 1996. If you have any questions about this summary, contact Human Resources.

WELCOME TO SCOTLAND HEALTH CARE SYSTEM

Our health care plan renews on January 1, 2024 every year. Every year we review our benefit plan offerings, consider what we offer, the cost for the year and what we can afford. We consider our levels of benefits, our insurance company performance, and the cost to both you and the company. Based on this review, and in consultation with our benefit consultant, we have made the following decisions for our benefit offerings for this plan year:

What is changing:

- **Medical** - Beginning January 1, 2024, both medical plans will have three tiers instead of four.
  - Tier 1 – Scotland Health Providers (services offered at Scotland)
  - Tier 2 – Aetna Choice POS II Network Providers
  - Tier 3 – Out-of-Network Provider
  - During the month of December new medical ID Cards will be sent to everyone enrolled on our medical plan as we will be changing our pharmacy partner from Rx Benefits to CVS/Caremark as described below.
- **Pharmacy** - Beginning January 1, 2024, we will change pharmacy benefit managers from Rx Benefits to CVS/Caremark. To ensure a smooth transition to CVS/Caremark, Rx Benefits is sending CVS/Caremark h members claim history and prior authorizations. We expect a CVS/Caremark welcome letter and packet to be mailed to our employees in December introducing them as their new pharmacy partner.
- **Dental** - Beginning January 1, 2024, we will change dental providers from Met Life to Delta Dental of North Carolina. During the month of December new dental ID Cards will be sent to everyone enrolled on our dental plan. We will continue to offer a choice of two dental plans (Core and Buy-up).
- **HSA** - SHCS will contribute $250 for both you and your spouse upon completion of an annual wellness visit. That's $500 if both you and your spouse complete your annual wellness visit.

What is not changing:

- You will continue to have the choice of Aetna medical plans between our CDHP and PPO plans
- Community Eye Care is our vision plan provider
- Bank of America will continue to provide administration of our Health Savings Account, Health Care, Limited Purpose, and Dependent Care Flexible Spending Accounts
- Our Employee Assistance Program (EAP) will continue to be provided by Aetna and ComPsych (through Lincoln Financial Group)
- Our ancillary benefits (Life/Disability/Supplemental Health programs) will continue through Lincoln Financial Group

Please keep in mind that our health plan is a self-funded plan. This means that Scotland Health Care System assumes the financial risk for providing health care benefits, rather than paying an insurance company to assume this risk. Your health care claims are "processed" by Aetna, however the money they use to make those payments comes directly from Scotland Health Care System, which is funded by the premiums paid by both Scotland Health Care System and you.

We are maintaining our philosophy to cover the majority of healthcare premiums for employees and assist with a majority of the cost of covering dependents. There will be a slight increase in employee medical premiums

Eligibility Requirements

Employee	Dependents	Waiting Period
Full-time or part-time associate regularly scheduled 20 or more hours per week.	Your legal spouse Dependent children may be covered until age 26; unmarried children over age 26 who meet the definition of disability	1st of the month following date of hire

For new employees, this is your chance to enroll in the Scotland Health Care System Employee Benefits Plan. You must enroll yourself and your dependents within 30 days of becoming eligible for benefits. You can enroll eligible dependents at the same time you enroll yourself. If you don't enroll, or you waive coverage, you'll receive the employer sponsored benefits shown below:

- Basic Life Insurance and AD&D
- Long-Term Disability
- Employee Assistance Plan
- Travel Assistance Services

Once you're enrolled in benefits, you generally aren't allowed to make changes until the next annual Open Enrollment. Open Enrollment is your one chance each year to review your coverage and make changes to your benefits. It's also your chance to enroll if you declined coverage when you first became eligible. Open Enrollment changes take effect on January 1, 2024 each year.

Other than during Open Enrollment, you can make changes to your benefits during the year only if you experience a qualifying status change. Please refer to the Special Enrollment section later in this document (page 31).

Open Enrollment

This is the time of year to add or drop coverage for any eligible family members. If you do not enroll an eligible spouse or child now because they have coverage through another employer, you may only add that person on our plan during next year's Open Enrollment period, unless you experience a qualified family status change. Please refer to the Special Enrollment section later in this document (page 31).

Online Enrollment

The Open Enrollment elections process will open on October 18th and will remain open until November 3rd. Most of your current benefits elections (medical, dental, etc.) will be pre-populated in the system and you will only need to confirm your continued enrollment and election levels in these plans. However, some benefits elections automatically reset to zero each year (HSA elections, Health Care FSA, Limited Purpose FSA, and Dependent Care FSA elections) and you will need to specifically designate the amount you wish to set aside in 2024.

You can complete your enrollment by visiting Core Connect.

What Do I Have To Do?

- Review your current benefit elections. Verify your personal information and make changes as needed in Core Connect.
- Evaluate plan options and make your benefit elections and/or changes through our benefit administration systems shown below.
- This is your opportunity to add coverage for your spouse and children who were previously eligible but not enrolled. Ask Human Resources for an enrollment form.
- This is also your opportunity to switch from the Traditional Health Plan (PPO) to the Consumer Directed Health Plan (CDHP), or vice versa. Please note that any family members you cover will be enrolled on the same plan as you
- If you wish to drop coverage for yourself or any dependents, now is the time to do so.
- You must make an election for the flexible spending account (FSA) if you wish to participate in Health Care FSA, Limited Purpose FSA or Dependent/Day Care FSA.
- If you want to make pre-tax deductions to your HSA account, you must make a new election for 2024.

OPEN ENROLLMENT ELECTIONS MUST BE RECORDED IN CORE CONNECT BY NOVEMBER 3RD, 2023.

Where Do I Go If I Have Questions?

- See page 6 for customer service numbers and websites for the carriers.
- Kaylyn Locklear – **Kaylyn.locklear@scotlandhealth.org**

Benefits Advocacy – Here To Help

Parker, Smith & Feek, LLC.

Scotland Health Care System has also partnered with Parker, Smith & Feek to provide you and your family with individualized assistance with insurance problems you are unable to resolve directly with the carriers. This includes claims issues, eligibility questions, network problems and general healthcare or insurance questions.

Your Account Manager	Email	Phone
Todd Syvrud	mtsyvrud@psfinc.com	425.709.3633

How Much Will I Pay?

Teammate Bi-Weekly (26) Contributions in 2024. The following contributions are effective January 1, 2024.

Deducted Bi-Weekly	Aetna Consumer Directed Health Plan (CDHP)			
	Wellness & Non-Smoker	Wellness & Smoker	Non-Wellness & Non-Smoker	Non-Wellness & Smoker
Teammate Only	$16.34	$76.40	$46.37	$106.43
Teammate + Spouse	$113.86	$173.92	$143.89	$203.96
Teammate + Child	$70.88	$130.94	$100.91	$160.97
Teammate + Child(ren)	$81.70	$141.76	$111.73	$171.80
Family	$145.80	$205.87	$175.83	$235.90

Deducted Bi-Weekly	Aetna PPO Plan			
	Wellness & Non-Smoker	Wellness & Smoker	Non-Wellness & Non-Smoker	Non-Wellness & Smoker
Teammate Only	$93.54	$153.61	$123.58	$183.64
Teammate + Spouse	$278.24	$338.31	$308.28	$368.34
Teammate + Child	$193.19	$253.26	$223.22	$283.29
Teammate + Child(ren)	$218.61	$278.68	$248.64	$308.71
Family	$351.04	$411.11	$381.07	$441.14

Deducted Bi-Weekly	Delta Dental of North Carolina Plan			
	Teammate Only	Teammate + Spouse	Teammate + Child(ren)	Family
Core Plan	$8.65	$17.04	$24.02	$32.75
Buy Up Plan	$17.05	$33.84	$40.33	$57.10

Deducted Bi-Weekly	Community Eye Care Vision		
	Teammate Only	Teammate + One	Family
Core Plan	$2.05	$3.90	$5.94

Please note that when your contributions are taken out of your paycheck on a pre-tax basis, as allowed by Section 125 of the Internal Revenue Code. IRS rules state that once you make your enrollment election for the year, you will not be allowed to change that election until the next Open Enrollment period, unless you have a change in family status, such as marriage, divorce, birth of a child, or change in employment status. This means you may not drop coverage for a dependent during the year unless there is a qualified change in family status.

What's Changing?

- **Medical**: See page 8.
- **Prescription Drugs**: See page 12.
- **Dental**: See page 14.
- **Vision**: See page 15.
- **Flexible Spending Account**: See page 18.

To view all the summaries for the benefits mentioned in this guide, please click on the link below:

Scotland Health Care System - Benefits Summaries for 2024 Open Enrollment

Contact Information

Refer to this list when you need to contact our benefit partners.
For general information, contact Human Resources.

Medical	Aetna	866.925.0995	**www.aetna.com**
Prescription Drugs	CVS Caremark	866.818.6911	**www.caremark.com**
Behavioral Health (Virtual)	Aetna TalkSpace		**www.resourcesforliving.com** Username: Scotland / Password: EAP
Dental	Delta Dental of North Carolina	800.662.8856	**www.memberportal.com**
Vision	Community Eye Care	888.254.4290	**www.cecvision.com**
Flexible Spending Account (FSA)	Bank of America	800.718.6710	**myhealth.bankofamerica.com**
Health Savings Account (HSA)	Bank of America	800.718.6710	**myhealth.bankofamerica.com**
Employee Assistance Program (EAP)	Aetna	888.238.6232	**www.resourcesforliving.com** Username: Scotland / Password: EAP
Employee Assistance Program (EAP)	Lincoln Financial Group (ComPsych)	888.628.4824	**www.guianceresources.com** Username: LFGSupport / Password: LFGSupport1
Basic Life/AD&D **Supplemental Life** **Dependent Life**	Lincoln Financial Group	800.423.2765 ID: SHCSYS	**www.lfg.com**
Short Term Disability **Long Term Disability**	Lincoln Financial Group	800.423.2765 ID: SHCSYS	**www.lfg.com**
Voluntary Accident **Voluntary Critical Illness** **Voluntary Hospital Indemnity**	Lincoln Financial Group	800.423.2765 ID: SHCSYS	**www.lfg.com**
Travel Assistance	On Call International Travel Connect Global Assistance Program	603.328.1955 (Worldwide Collect) 866.525.1955 (U.S. or Canada0	**www.myoncallportal.com** Group ID: LFGTravel123
Whole Life Insurance	Unum	800.635.5597	**www.unum.com**
Diabetes Prevention	Omada		**https://go.omadahealth.com/scotlandhealth**
Weigh Management	Real Appeal		**www.realappeal.com**
403(b) Retirement Plan	Empower	866.467.7756	**https://participant.empower-retirement.com**
Benefits Advocacy	Todd Syvrud Parker, Smith & Feek	425.709.3633 mtsyvrud@psfinc.com	**www.psfinc.com**

MEDICAL COVERAGE

Aetna

What's Changing

Two medical plans will continue to be offered:

- **Traditional Health Plan (PPO)** - This is a traditional plan offering copays for doctor visits and prescriptions.
    - This plan has lower deductibles and annual out-of-pocket maximums.
    - In exchange for lower out-of-pocket costs and standard fees at the doctor, you will pay a higher premium out of your paycheck to enroll in this plan.
- **Consumer Directed Health Plan (CDHP)** –
    - Due to IRS rules, the deductibles on this plan will increase to $1,600 (Individual)/$3,200 (Family)
    - This is a high deductible health plan that is paired with a tax-advantaged health savings account (HSA).
    - Pay negotiated rate for doctor visits and prescriptions up to plan deductible.
    - Plan pays coinsurance for services after you meet your deductible.
    - Paired with Health Savings Account (HSA)–helps pay for medical expenses pre-tax.
    - Higher deductible with lower premium from your paycheck
    -

New - Beginning January 1, 2024, both medical plans will have three tiers instead of four.

- Tier 1 – Scotland Health Providers (services offered at Scotland)
- Tier 2 – Aetna Choice POS II Network Providers
- Tier 3 – Out-of-Network Providers

New - During the month of December new medical ID Cards will be sent to everyone enrolled on our medical plan.

A representative from Aetna will be at our virtual open enrollment meeting on October 19th.

Medical Benefits Summary

The plan encourages you to use in-network providers by charging you lower co-pays and co-insurance amounts. In-network providers agree to bill Aetna directly and to accept a negotiated fee as payment in full. Out-of-Network providers have not and are reimbursed based on Medicare reimbursement rates. You may have to pay amounts above that charge (also called balance billing). To find a list of in-network providers, go to **www.aetna.com** and search for providers in the **Choice POS II** Network. The deductible and out-of-pocket maximum are on a calendar-year basis and reset every January 1st.

DON'T FORGET YOUR ANNUAL EXAM.

PREVENTIVE CARE IS COVERED 100%.

You have the choice of two medical plans: the Consumer Directed Health Plan and the Traditional Health Plan. The following is a summary of the **Consumer Directed Health Plan**. You choose your plan each year during Open Enrollment.

Aetna Network - Choice POS II	CDHP – Tier 1 Scotland Health Providers (services offered at Scotland)	CDHP – Tier 2 Aetna Choice POS II Network Providers
Annual Deductible *Individual* *Maximum per family*	 $1,600 $3,200 (aggregate)*	 $3,000 $6,000 (aggregate)*
Out-of-Pocket Maximum *Individual* *Maximum per family*	 $2,500 $5,000 (aggregate)**	 $6,000 $12,000 (aggregate)*
Preventive Care *Routine Exam* *Laboratory Services*	 0% deductible waived 0% deductible waived	 0% deductible waived 0% deductible waived
Physician Services *Office Visits – Primary Care* *Office Visits - Specialist*	 10% after deductible 10% after deductible	 50% after deductible 50% after deductible
Telehealth Visit	10% after deductible	50% after deductible
Outpatient X-Ray and Laboratory Services	Lab – 0% after deductible X-Ray/MRI – 10% after deductible	50% after deductible
Urgent Care	10% after deductible	50% after deductible
Emergency Services	10% after deductible	50% after deductible
Hospital Services *Inpatient and Outpatient*	 10% after deductible	 50% after deductible
Outpatient Rehabilitation *25 visits per calendar year*	 10% after deductible	 50% after deductible
Mental Health Outpatient	10% after deductible	50% after deductible
Spinal Manipulations *25 visits per calendar year*	 10% after deductible	 50% after deductible
Out-of-Network (OON)		
OON Deductible *Individual* *Maximum per family*	 $4,000 $8,000 (aggregate)*	
OON Out-of-Pocket Maximum *Individual* *Maximum per family*	 $10,000 $20,000 (aggregate)**	
Out-of-Network Coinsurance	50%	

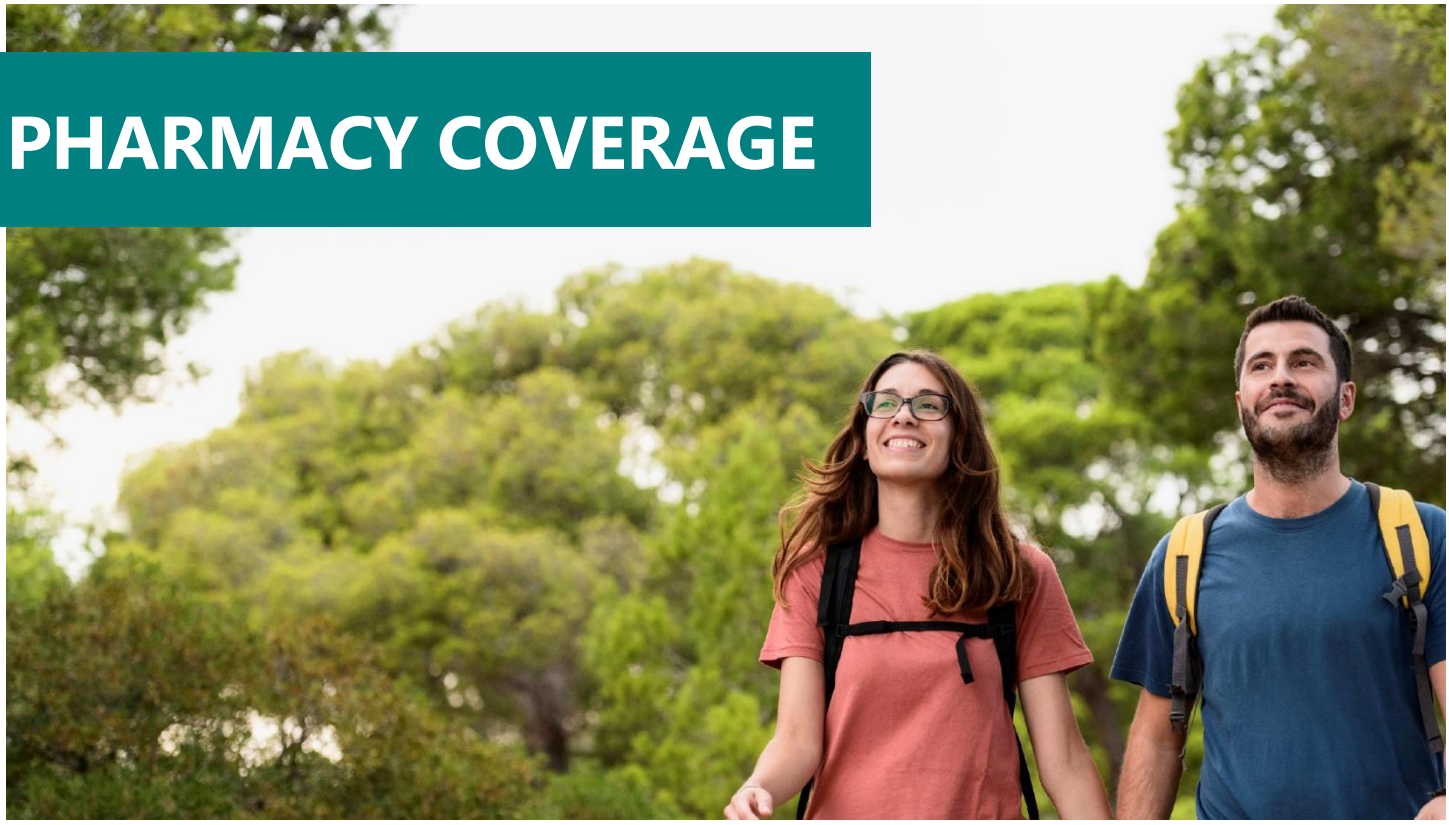
*Family Aggregate Deductible: The deductible amount depends on whether you enroll with or without family members. If more than one person is covered on the CDHP, which is an IRS-Qualified High Deductible Health Plan, the family will need to be satisfied before the Plan starts to make payments for your healthcare costs for any individual (except for services considered Preventive).

**Family Aggregate Out-Of-Pocket Maximum: For those covering more than one person on the CDHP, one member of the family can meet the entire out-of-pocket maximum, or several family members can combine out-of-pocket expenses to meet the family out-of-pocket maximum.

You have the choice of two medical plans: the Consumer Directed Health Plan and the Traditional Health Plan. The following is a summary of the **Traditional Health Plan**. You choose your plan each year during Open Enrollment.

Aetna Network - Choice POS II	Traditional Health Plan – Tier 1 Scotland Health Providers (services offered at Scotland)	Traditional Health Plan – Tier 2 Aetna Choice POS II Network Providers
Annual Deductible *Individual* *Maximum per family*	 $500 $1,500	 $2,000 $4,000
Out-of-Pocket Maximum *Individual* *Maximum per family*	 $2,500 $5,000	 $6,000 $12,000
Preventive Care *Routine Exam* *Laboratory Services*	 0% deductible waived 0% deductible waived	 0% deductible waived 0% deductible waived
Physician Services *Office Visits – Primary Care* *Office Visits - Specialist*	 $20 copay $50 copay	 $50 copay $100 copay
Telehealth Visit	$30 copay	$50 copay
Outpatient X-Ray and Laboratory Services	Lab – $50 copay, deductible waived X-Ray/MRI – then 10% after deductible	Lab – 50% after deductible X-Ray/MRI – 50% after deductible
Urgent Care	$30 copay	$30 copay
Emergency Services	$150 copay, then 10%, deductible waived	$150 copay, then 10%, deductible waived
Hospital Services *Inpatient* *Outpatient*	 $250 per admit then 10% after deductible $150 copay, then 10%, after deductible	 $1,000 per admit then 50% after ded $1,000 copay, then 10%, after deductible
Outpatient Rehabilitation *25 visits per calendar year*	 10% after deductible	 50% after deductible
Mental Health Outpatient	$20 copay	$50 copay
Spinal Manipulations *25 visits per calendar year*	 10% after deductible	 50% after deductible
Out-of-Network (OON)		
OON Deductible *Individual* *Maximum per family*	 $4,000 $8,000	
OON Out-of-Pocket Maximum *Individual* *Maximum per family*	 $10,000 $20,000	
Out-of-Network Coinsurance	50%	

PHARMACY COVERAGE



CVS Caremark

What's Changing

Our employees will continue to have the option of filling their prescriptions through our own in-house pharmacies or a network pharmacy.

New - Beginning January 1, 2024, we will change pharmacy benefit managers from Rx Benefits to CVS/Caremark.

To ensure a smooth transition to CVS/Caremark, Rx Benefits is sending CVS/Caremark members claim history and prior authorizations so they can be set up in their systems.

We expect a CVS/Caremark welcome letter and packet to be mailed to our employees in December introducing them as their new pharmacy partner.

A representative from CVS/Caremark will be at our virtual open enrollment meeting on October 19th.

Prescription Drug Benefits Summary

Unless your doctor requires the use of a brand name drug, your prescription may automatically be filled with a generic equivalent (when available).

	CDHP (deductible applies)		PPO (deductible waived)	
	Scotland Pharmacy (30-day supply)	**Retail Pharmacy** (30-day supply)	**Scotland Pharmacy** (30-day supply)	**Retail Pharmacy** (30-day supply)
Generics	$0	$10	$0	$10
Preferred Brand	$20	$35	$20	$35
Non-Preferred Brand	$40	$60	$40	$60
Specialty Drugs	$10 Generic $75 Brand	$150 Generic $150 Brand	$10 Generic $75 Brand	$150 Generic $150 Brand
Notice regarding Medicare Part D	Our medical plans offer what is called "creditable coverage," which means a Medicare-eligible person will not have to buy a Medicare Part D supplement for prescription drugs and will not be subject to the 1% per month late enrollment charge assessed by Medicare for purchasing Part D at a later date. If you have questions about your options, please contact Human Resources.			

There is no coverage for prescriptions from a pharmacy not in the network.

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DENTAL COVERAGE

Delta Dental of North Carolina

Benefits Summary

Contracted providers agree to bill Delta Dental of North Carolina directly and to accept a negotiated fee as payment in full. Allowable charges for out-of-network providers are paid based on allowed amounts, as determined by Delta Dental of North Carolina. You may be responsible for any additional amounts (also called balance billing). The deductible and annual maximum are on a calendar-year basis and reset every January 1st. Find Delta Dental participating dentists near you by using the search feature on our website at **www.deltadentalnc.com/findadentist**. Selecting a Delta Dental PPO dentist means your out-of-pocket costs will likely be low as they have agreed to accept a lower fee than Delta Dental Premier dentists. See benefit summary for more details.

	Core Plan Delta Dental PPO / Premier Dentist	Buy-Up Plan Delta Dental PPO / Premier Dentist
Annual Deductible *Individual* *Maximum per family*	 $0 $0	 $50 $150
Preventive Care (exams, x-rays, etc.)	Paid at 100%	Paid at 100%
Basic Services (fillings, extractions, etc.)	Paid at 50%	Paid at 80%
Major Services (crowns, bridges, dentures, etc.)	Paid at 50%	Paid at 50%
Annual Maximum	$1,500	$1,500
Orthodontia	50% up to $2,000 lifetime benefit (child up to age 18)	50% up to $2,000 lifetime benefit (No Age Limit)

VISION COVERAGE

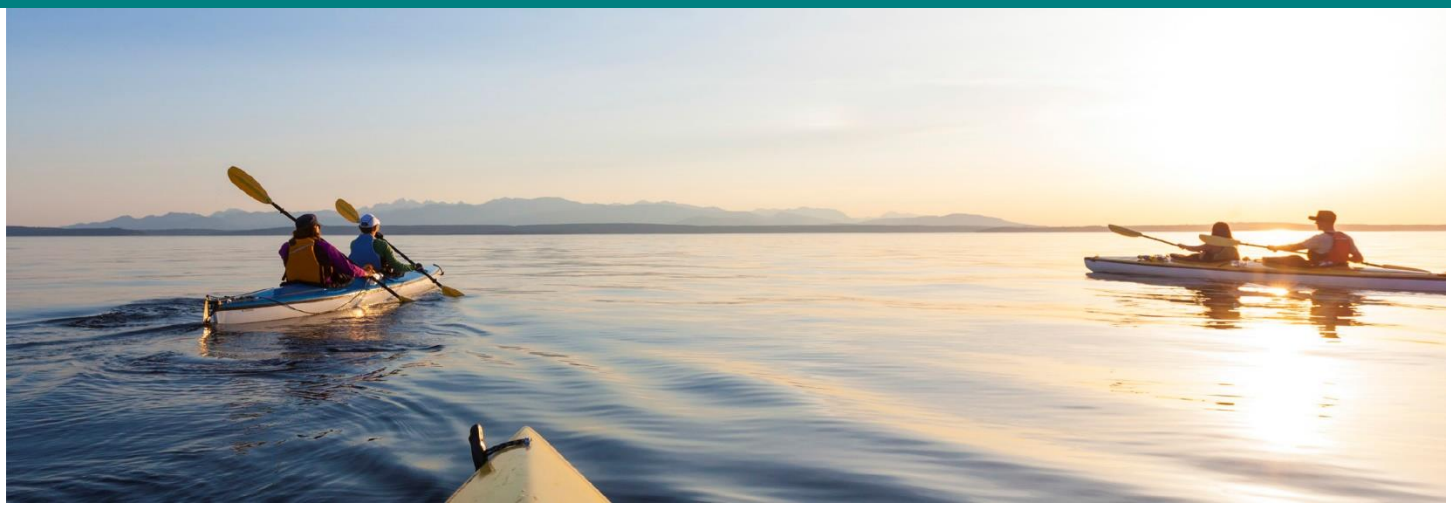
Community Eye Care

Benefits Summary

Contracted providers agree to bill Community Eye Care (CEC) directly and to accept a negotiated fee as payment in full. Members who obtain exams and eyewear from an out-of-network provider still receive their full covered benefit. The member simply submits a claim and a receipt to CEC. Visit **www.cecvision.com/search** to find an in-network provider near you. See benefit summary for information on LASIK discounts, special offers or how to shop online through CEC's partner Eyeconic (**https://www.cecvision.com/members/special-offers/eyeconic**). See benefit summary for more details.

Vision Exam *Every 12 months*	$10 copay
Eyeglass Lenses *Every 12 months*	$0 copay $200 combined allowance for eyewear
Frames *Every 12 months*	(network providers offer 20% discount on glasses/10% discount on contacts for any overages)
Contact Lenses *Every 12 months In lieu of Glasses*	$10 copay (contact lens fitting, re-fit or evaluation)

HOW SCOTLAND HEALTH CARE SYSTEM HELPS YOU PAY YOUR MEDICAL DEDUCTIBLE



Health Savings Accounts

You must be enrolled in the CDHP to take advantage of the HSA.

A Health Savings Accounts (HSA) is a tax-advantaged savings account that belongs to you and is designed to help you save money pre-tax for when you have higher health care expenses. Regardless of who puts money into your HSA, HSA dollars are owned by you, the account holder. Unused money rolls over to the next year and is fully portable. This means you take it with you if you leave. The maximum amount you can contribute to your HSA (from all sources) is determined annually by the IRS.

	2023	2024
Individual-only coverage	$3,850	$4,150
Individual, plus one or more covered family members	$7,750	$8,300
Additional catch-up contribution for those 55+	$1,000	$1,000

2024 HSA Contributions

SHCS will contribute $250 for both you and your spouse upon completion of an annual wellness visit. That's $500 if both you and your spouse complete your annual wellness visit.

	Annual total
Individual	$250
Family	$500

Please note you will only have access to funds that are deposited to your account. Additionally, you may elect to put additional money into your HSA from your paycheck on a tax-free basis. Scotland Health Care System will also pay for the monthly administrative fee for participants.

It is your responsibility to confirm you are eligible to receive contributions to your Health Savings Account.

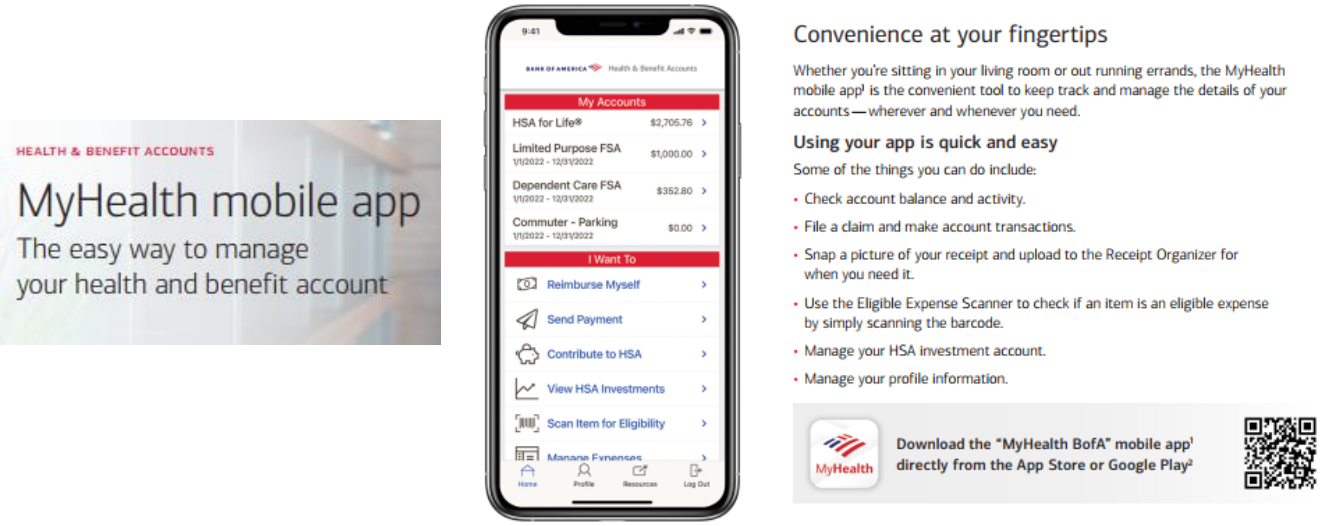
To receive contributions, you must NOT have other health coverage for yourself including:

- Coverage through an individual non-qualified HDHP plan
- Coverage through a spouse's or parent's non-qualified HDHP plan
- Access to a spouse's Flexible Spending Arrangement
- Be a dependent on someone else's tax return
- Coverage through a state or federal program:
  - Tricare/CHAMPVA/Veterans Administration
  - Native/Tribal plan
  - Medicare
  - Medicaid

For IHS beneficiaries or Veterans beneficiaries, you cannot contribute to your HSA for 3 months following the month you receive benefits from the Veterans or Native Tribal facilities.

For questions about your eligibility for the HSA, contact Human Resources.

Please note that Health Savings Accounts and employer HSA contributions are not subject to ERISA or COBRA. HSA information is included in this Summary to provide you with a complete overview. It is not our intent to include your account in our ERISA benefits program.

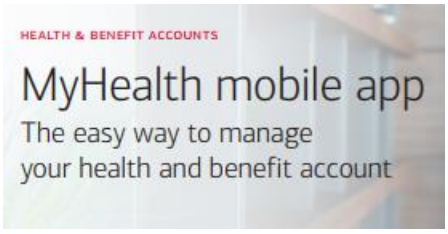


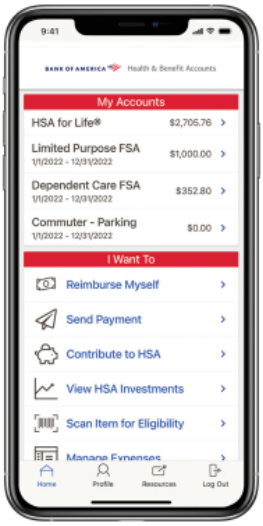
FLEXIBLE SPENDING ACCOUNTS

Bank of America

The federal government takes about 30% of each dollar that you earn in FICA and Federal Income tax. The remaining 70% is your net income. With an FSA you can set aside money from your paycheck, before the federal government takes their 30%, to pay for medical, dental, vision and day care expenses. You pay less in taxes, and your money buys more medical (including dental and vision) services than before.

On January 1, 2024 of each year you may elect to set aside a certain amount of money to cover medical, dental and vision expenses and/or dependent care.





Convenience at your fingertips

Whether you're sitting in your living room or out running errands, the MyHealth mobile app[1] is the convenient tool to keep track and manage the details of your accounts — wherever and whenever you need.

Using your app is quick and easy

Some of the things you can do include:

- Check account balance and activity.
- File a claim and make account transactions.
- Snap a picture of your receipt and upload to the Receipt Organizer for when you need it.
- Use the Eligible Expense Scanner to check if an item is an eligible expense by simply scanning the barcode.
- Manage your HSA investment account.
- Manage your profile information.

MyHealth

Download the "MyHealth BofA" mobile app[1] directly from the App Store or Google Play[2]

Health FSAs

The Health Care FSA annual maximum plan contribution limit is ***projected*** to increase from $3,050 to $3,200 in 2024. This program allows you to set aside funds up to the IRS maximum so that you can pay for certain IRS-approved expenses that are not covered by insurance with pre-tax dollars. You can elect to enroll in either the Health Care FSA or the Limited Purposes FSA.

	Health Care FSA	Limited Purpose FSA (you must be enrolled in the CDHP)
IRS-approved Expenses	Medical, Rx, Vision and Dental	Vision and Dental
Interaction with other Accounts	Makes you ineligible for HSA contributions	Perfect for anyone covered by an HSA qualified medical plan
Examples	• Hearing services, includes hearing aids and batteries. • Vision services, includes contact lenses, contact lens solution, eye exams and eyeglasses. • Chiropractic services • Acupuncture • Prescription copays • Dental services and orthodontia • Over-the-counter medication • Menstrual products	• Vision services, includes contact lenses, contact lens solution, eye exams and eyeglasses. • Dental services and orthodontia

The Health Care/Limited Purpose FSA annual rollover maximum amount is ***projected*** to increase from $610 to $640 in 2024.

While you should only set aside enough money for those expenses you know you will incur during the plan year, the roll-over provision allows you to carry forward up to the IRS maximum into the next plan year. Please see the information from Bank of America for more information.

IRS rules state that once you make your enrollment election for the year, you will not be allowed to change that election until the next Open Enrollment period, unless you have a change in family status, such as marriage, divorce, birth of a child, or change in employment status.

Dependent Care FSA

Similar to the Health Care FSA, you may also use pre-tax dollars to pay for qualified dependent care. Expenses can be for your dependent children 12 and under, and in some cases elder care, and must be so you can work, actively look for work or be a full-time student. Examples include:

- The cost of child or adult dependent care
- The cost for an individual to provide care either in or out of your house.
- Nursery schools and preschools (excluding kindergarten)

The annual maximum amount you may contribute into the Day Care FSA is $5,000 per calendar year (or $2,500 if married and filing separately). This limit is set by the IRS and is a calendar year limit. Since our plan year is not on a calendar year, take extra care in calculating your annual election.

Note: Election changes are also allowed when there is a change in cost or coverage of your childcare provider.

DISABILITY, LIFE

Disability Income

Lincoln Financial Group

Did you know that one in eight workers will be disabled for five or more years during their working careers? If this happens to you, can you afford to be out of work and without pay for an extended period – on top of the medical bills that come with a serious illness or injury? Scotland Health Care System's disability coverage is essentially "paycheck insurance" and offers you financial stability and peace of mind. If you are unable to perform the material duties of your job due to sickness, injury, or pregnancy, you will receive the following benefits:

	Voluntary Short-Term Disability*	Employer Paid Long-Term Disability**
Benefits Begin	On the 7th (Option 1) or 14th (Option 2) day, contingent upon satisfying the definition of disability as stated in your policy.	On the 91st day, contingent upon satisfying the definition of disability as stated in your policy.
Percentage of Income Replaced	60% of basic weekly earnings.	60% of basic monthly earnings.
Maximum Benefit available	Up to $1,500 per week.	Up to $10,000 per month.
Benefit Duration	Up to 12 (Option 1) or 11 (Option 2) weeks.	Up to Social Security Normal Retirement Age.

*Any short-term disability benefits you may receive are tax-free. Available to associates working 20 hours or more a week.

**Any long-term disability benefits you may receive are taxable income and need to be reported to the IRS. Available to associates working 32 hours or more a week.

See benefit summary for more details.

Life/AD&D, Supplemental & Whole Life

Lincoln Financial Group

Scotland Health Care System purchases life and accidental death and dismemberment (AD&D) insurance for all employees working at least 20 hours per week.

Benefits	A cash benefit of 2,080 times your hourly wage rounded to the next higher $1,000 (up to $150,000). An additional cash benefit if you die in a covered accident.

If you are eligible for more than $50,000 in life insurance, you are required to pay income tax on the value of the premium in excess of $50,000, as calculated by IRS Code Section 79 Table I rates. This tax is reported on each paycheck as imputed income. See benefit summary for more details.

Supplemental Life and Dependent Life Insurance

If you want additional group life insurance, you may purchase additional amounts through payroll deductions. You must be enrolled in supplemental life to purchase life insurance for your spouse or child.

If you have already purchased supplemental life, you can increase your election as described below. Please note that if your election exceeds the guaranteed issue, medical underwriting is required.

REMINDER: IF YOU RECENTLY HAD A FAMILY STATUS CHANGE, THIS IS A GOOD TIME TO UPDATE YOUR BENEFICIARY INFORMATION.

	Employee	Spouse	Child
Term Life Insurance			
Benefit Available	Lesser of 5x annual earnings or $200,000	$5k, $10k or $20k	$5k, $10k or $20k $1,000 (birth to 14 days)
Available in increments of:	$10,000	$5k, $10k or $20k	$5k, $10k or $20k
Guaranteed Issue	$200,000	$20,000	$20,000
Increasing your Election if already enrolled for coverage			
When can I increase my Election?	At open enrollment up to $200,000	At open enrollment $20,000	At open enrollment $20,000
Is there medical underwriting?	No	No	No
	Medical underwriting applies if the new election is over the guaranteed issue amount.		

Because the premium is based on your age, when you go from one age bracket to the next, monthly deductions will increase to reflect the new age bracket. Age brackets are in five-year increments (30–34, 35–39, etc.). If applicable, your new deductions will be deducted from your paycheck with the first payroll after January 1, 2024. See benefit summary for pricing and costs to cover you and/or your family.

Unum

Scotland Health Care System also offers Whole Life Insurance from UNUM as a complement to the Basic & Supplemental Term Life plans.

In addition to a death benefit, Whole Life Insurance builds cash value while you're living that you can use in times of need.

- Associate coverage is available starting at a $2,000 benefit.
- Spousal coverage is available from $2,000 to $50,000 in $1,000 increments. Coverage for your spouse can be purchased without electing associate coverage.
- Child coverage is also available up to $25,000. Child coverage can be purchased without electing associate or spousal coverage.

See benefit summary for more details.

How does it work?

You can keep Whole Life Insurance as long as you want. Once you've bought coverage, your cost won't increase as you age. The benefit amount stays the same, too — it doesn't decrease as you get older. That means you get protection during your working years and into retirement.

Whole Life Insurance also builds cash value at a guaranteed rate of 4.5%.* You can borrow from that cash value, or you can buy a smaller, paid-up policy — with no more premiums due.

Why should I buy coverage now?

- It's more affordable when you're younger. Once you've purchased coverage, your premium remains the same as long as premiums are paid.
- You get better rates when you buy coverage through your workplace
- The cost is conveniently deducted from your paycheck.
- Whole life gives you valuable protection in addition to any term life insurance you might have.

What's included?

A "Living" Benefit

You can request an early payout of your policy's death benefit (up to $150,000 maximum) if you're diagnosed with a terminal illness and expected to live 12 months or less. It can help cover your costs while you're still alive. The payout would reduce the benefit that's paid when you die.

Long Term Care Rider

You may be able to use your death benefit to pay for long term care. Subject to rider conditions. See your plan administrator for more information.

Whole Life Insurance can pay money to your family if you die. It can help them with basic living expenses, final arrangements, tuition and more.

Who can get coverage?

You:	You can purchase a minimum benefit amount of $2,000, to a maximum of $200,000 if you're between 15 and 80 years old. The cost is based on your age when coverage is issued and whether you use tobacco.
Your spouse: Individual coverage	Available for your spouse between the ages of 15 to 80, even if you don't purchase coverage for yourself. If you leave your employer, you can keep this coverage and be billed at home. You can purchase a minimum benefit amount of $2,000, to a maximum of $50,000
Your spouse: 20-year Term Life coverage	Available for your spouse age 15-50. This benefit is not available if you purchase individual spouse coverage. However, you must purchase coverage for yourself to add this benefit. Choose a benefit amount from $5,000 to $25,000, as long as it's not more than your own coverage. If you cancel your coverage, your spouse's benefit will also be cancelled.
Your children: Individual coverage	Your children can have individual coverage, even if you don't get coverage for yourself. If you leave your employer, your children can keep their coverage. You can purchase a minimum benefit amount of $5,000, up to a maximum of $25,000 for each child.

EMPLOYEE WELLBEING

Employee Assistance Program (Aetna)

Aetna

The Employee Assistance Program (EAP) is a completely free and confidential counseling program that helps you and/or your family members address life issues, big or small. Benefits are offered to all employees and immediate family members.

You can access up to 8 counseling sessions per issue each year. You can also call 24 hours a day for in-the-moment emotional well-being support. Counseling sessions are available face to face, via televideo or chat therapy. Services are free and confidential. We're always here to help with a wide range of issues including:

- Marital and family concerns
- Difficult relationships
- Depression
- Substance abuse
- Grief and loss
- Financial entanglements
- Other personal stressors
- Many other issues

Click on **www.resourcesforliving.com** (Username: Scotland /// Password: EAP) to:

- Find information about emotional wellbeing support, daily life assistance, legal services, financial services parenting and more
- Locate schools, camps, eldercare/childcare providers
- Use financial calculators and retirement planners
- Read books, articles and guides
- Watch videos or listen to audio files

Anytime support
Aetna Resources For Living℠

Talkspace (through Aetna's EAP)

Talkspace is an online and mobile, text-based therapy and counseling services that is covered under **the Aetna EAP**. It is a convenient and affordable way to connect with a license provider – all from the privacy of your device. Send you provider text, audio, picture, and video messaging at any time, and they will response daily, 5 days a week.

Talkspace utilizes a national network that features thousands of licensed providers across all 50 U.S. states and Canada. On average, Talkspace providers have on average 9 years of experience as professional mental health care providers and have been carefully vetted and trained to use the platform.

One session generally equals one week of messaging with your therapist, or one completed live video session.

Benefits of Talkspace:

- Low-stress & private – Book live sessions from the privacy of your home.
- Personalized support – Develop a plan to achieve goals on your timeline.
- Thousands of licenses providers – Switch any time, at no extra cost.

Live sessions

Meet with your therapist online for a 30-minute televideo, telephonic or chat live session at a set time.

Chat therapy

Share text, video or audio messages with your counselor whenever you like. Your counselor will respond within one working day up to five days a week. Without making an appointment or driving to a provider's office, chat therapy can help you:

- Lower your stress even when life keeps you super-busy
- Make time for self-care
- Set and work toward your goals

Best of all, it's free and secure for you to use. Simply log on to your member website to sign up today. You can continue to access services after you have completed your EAP (or pre-paid) sessions. Simply email **RFL-support@talkspace.com** for information on how to continue receiving services and see if a discount is available.

Sometimes reaching out for emotional support can feel like one more thing to add to your to-do list. Work with a counselor anytime and just about anywhere. It's as easy as 1-2-3 to get started. Simply:

1. Complete a short online questionnaire.
2. You'll be matched with a therapist within 48 hours.
3. Connect with a counselor virtually with chat therapy and/or live sessions.

Support on your schedule
Aetna Resources For Living℠

Employee Assistance Program (Lincoln)

Lincoln (ComPsych)

The Employee Assistance Program (EAP) is a completely free and confidential counseling program that helps you and/or your family members address life issues, big or small. Benefits are offered to all employees and immediate family members.

You can access up to 5 counseling sessions per issue each year. You can also call 24 hours a day for in-the-moment emotional well-being support. Counseling sessions are available face to face, via televideo or chat therapy. Services are free and confidential. We're always here to help with a wide range of issues including:

- Marital and family concerns
- Difficult relationships
- Depression
- Substance abuse
- Grief and loss
- Financial entanglements
- Other personal stressors
- Many other issues

Click on **www.guideanceresources.com** (Username: LFGSupport /// Password: LFGSupport1) to:

- Find information about emotional wellbeing support, daily life assistance, legal services, financial services parenting and more
- Locate schools, camps, eldercare/childcare providers
- Use financial calculators and retirement planners
- Read books, articles and guides
- Watch videos or listen to audio files

EmployeeConnect℠ offers professional, confidential services to help you and your loved ones improve your quality of life.

TRAVEL ASSISTANCE

Travel Connect

You and your family have access to worldwide medical emergency assistance whenever you travel 100+ miles from home. Travel assistance does NOT replace your medical insurance – it is there to help you access health care, such as:

- Prescription replacement assistance
- Medical referrals to western-trained, English-speaking medical providers
- Hospital admission guarantee
- Emergency medical evacuation
- Critical care monitoring
- Care and transport of unattended minor children
- Emergency message service
- Transportation for friend/family member to join the hospitalized patient.
- Legal and interpreter referrals

Prescription and medical services will be paid by your medical insurance; the services provided by Travel Connect simply help with the arrangements for access to health care. Ask Human Resources for a brochure if you would like more information about this service.

TravelConnect®

Lincoln Financial Group

GLOBAL ASSISTANCE PROGRAM

Provided by On Call International

Medical, security, and travel assistance services for participants traveling 100+ miles from home

Visit MyOnCallPortal.com and enter Group ID: **LFGTravel123** for access to plan documents, international calling instructions, and destination information.

If you need medical, security, or travel assistance, regardless of the nature or severity of your situation, contact On Call International 24 hours a day:

Call collect from anywhere in the world:
603-328-1955
Call toll free from U.S. or Canada:
866-525-1955
Email: mail@OnCallInternational.com

Global assistance services must be coordinated and approved by On Call in order to be covered.

See your plan description for full terms and conditions of the services offered in your plan.

On Call International

A member of the **Tokio Marine HCC** group of companies

SUPPLEMENTAL HEALTH BENEFITS

Lincoln Financial Group

Voluntary Critical Illness insurance helps guard against financial hardship if you or a dependent is diagnosed with a covered condition. Some of the expenses this benefit can help pay include initial diagnosis, treatment, and follow-up care. You can choose between a $5,000, $10,000, $15,000 or $20,000 benefit. This plan also features a **$50 annual health screening benefit** per covered member. See benefit summary for pricing and costs to cover you and/or your family.

Coverage for you

Critical Illness Insurance | Employee	
Guaranteed coverage amounts	$5,000, $10,000, $15,000 or $20,000

Guaranteed coverage amounts

- If this is your first opportunity to enroll for coverage, you can choose from the coverage amounts above

Coverage for your spouse

You can secure Critical Illness Insurance for your spouse when you choose coverage for yourself.

Critical Illness Insurance | Spouse	
Guaranteed coverage amount	$5,000, $7,500 or $10,000 (up to 50% of the employee coverage amount)

Guaranteed coverage amounts

- If this is your first opportunity to enroll for coverage, you can choose from the coverage amounts above for your spouse

Coverage for your dependent children

Your dependent children automatically receive 50% of your coverage amount at no extra cost.

Core Benefits

Covered Conditions	Benefit Percentage
Heart attack	100%
Stroke	100%
Invasive Cancer	100%
End Stage Renal (kidney) Failure	100%
Major organ failure (heart, lung, liver, pancreas, or intestine)	100%
Arterial/vascular disease	25%
Noninvasive cancer (in situ)	30%
Skin Cancer (other than melanoma)	$250
Supplemental Conditions	
Advanced COPD	100%
AIDS	100%
Benign brain tumor	100%
Loss of sight, hearing and/or speech	100%

Accidental Injuries Benefit	Benefit Percentage
Severe burns, permanent paralysis or traumatic brain injuries (includes coma)	100%

Occupational Disease (employee only)	Benefit Percentage
HIV	100%

Health Assessment / Wellness Benefit	Your Cash Benefit
You receive a cash benefit every year you and any of your covered family members complete a single covered exam or screening	$50

Additional Plan Benefit(s)	
Health Advocate Services	Included
Portability	Included

Note: See the policy for details and specific requirements for each of these benefits/benefit options.

Lincoln Financial Group

Voluntary Accident insurance can help protect you, your spouse, or your children from the unexpected expense of an accident. Some of the common reasons for claims under this plan include broken bones, burns, and sports related injuries – including kids organized sports. This plan includes a **$100 annual health screening benefit** per covered member. See benefit summary for pricing and costs to cover you and/or your family.

Emergency treatment	Your cash benefit
Ambulance	$300
Air ambulance	$1,500
Emergency care/treatment	$200
X-ray	$40
Initial care visit	$100
Major diagnostic exam	$200

Fractures*	Your cash benefit
Fingers, toes	$100
Ankle, arm (elbow to wrist), elbow, foot (except toes), hand (except fingers), kneecap, rib, shoulder blade, vertebral process, wrist	$450
Coccyx, collarbone, lower jaw, sternum	$525
Arm (shoulder to elbow), bones of the face, nose, upper jaw	$875
Leg (knee to ankle), pelvis, skull non-depressed, vertebral body	$1,750
Hip, leg (hip to knee)	$2,625
Skull depressed	$3,500
Surgical treatment surgery	2 times nonsurgical benefit
Chip fracture	25% of fracture benefit

*Fracture benefits listed are nonsurgical. Treatment for the fracture must occur within 90 days of the accident. The combined maximum of all fractures is two times the highest fracture payable.

Hospitalization and ongoing care	Your cash benefit
Accident hospital admission	$1,000
Accident intensive care admission	$1,500
Accident hospital daily confinement	$200 per day
Accident intensive care daily confinement	$400 per day
Alternative care/rehab facility daily confinement	$150 per day
Physician follow-up visits (up to 2 visits)	$75 per visit
Physical, occupational, and chiropractic therapy (up to 6 sessions)	$35 per visit
Epidural/cortisone pain management (up to 1 injections)	$75 per administration
Medical mobility devices	$75 per device
Wheelchair (expected use less than one year)	$150
Wheelchair (expected use one year or more)	$300
Prosthesis (per limb)	$750 per device

Recovery assistance	Your cash benefit
Family care	$75
Companion lodging (100+ miles from home)	$150 per day
Transportation (100+ miles from home)	$300 per trip

Dislocations *	Your cash benefit
Fingers, toes	$100
Collarbone (acromio and separation), elbow, hand (except fingers), lower jaw, shoulder, wrist	$450
Ankle, collarbone (sternoclavicular), foot (except toes)	$875
Knee (except kneecap)	$1,750
Hip	$2,625
Surgical treatment	2 times nonsurgical benefit
Partial dislocation	25% of dislocation benefit

*Dislocation benefits listed are nonsurgical. Treatment for the dislocation must occur within 90 days of the accident. The combined maximum of all dislocations is two times the highest dislocation payable.

Specific Injuries	Your cash benefit
Blood, plasma, platelets, and other non-blood substitute IV solutions	$375
2nd degree burns: Based upon surface area burned	$100-$1,000
3rd degree burns: Based upon surface area burned	$375-$10,000
Skin grafts	25% of burn benefit
Concussion	$150
Dental crown	$150
Dental extraction/dental injury – broken tooth	$75
Eye (surgical repair)	$300
Eye (removal of foreign object)	$150
Laceration: Based upon the need for and length of sutures	$35-$400
Severe traumatic brain injury	$5,000
Surgical benefits:*	
Arthroscopic surgical benefit	$150
Cranial surgical benefit	$1,125
Hernia surgical benefit	$150
Thoracic/open abdominal	$1,500
Ligaments, tendons, rotator cuff	$750
Knee cartilage	$750
Ruptured disc	$750
Other surgery under general anesthesia	$225
Other surgery under conscious sedation	$125

*Benefits will be paid up to two times the highest surgical benefit payable for all surgeries.

Lincoln Financial Group

Voluntary Hospital Indemnity - If you or a covered family member have to go to the hospital for an accident or injury, hospital indemnity insurance provides a lump-sum cash benefit to help you take care of unexpected expenses — anything from deductibles to childcare to everyday bills. You don't have to answer medical questions to receive coverage; this is guaranteed coverage. See benefit summary for pricing and costs to cover you and/or your family.

Core hospital benefits	Plan benefit
Hospital admission For the initial day of admission to a hospital for treatment of a sickness/an injury	$1,000 per day for one day per calendar year
Hospital confinement For each day of confinement in a hospital as a result of a sickness/an injury	$100 per day for 15 days per calendar year starting on the second day of confinement
Hospital intensive care unit (ICU) admission For the initial day of admission to an ICU for treatment as the result of a sickness/an injury	$1,500 per day for one day per calendar year
Hospital ICU confinement For each full or partial day of confinement in an ICU as a result of a sickness/an injury	$200 per day for 15 days per calendar year starting on the second day of confinement
Complications of pregnancy	Included

IMPORTANT LEGAL INFORMATION

Healthcare Reform

The Affordable Care Act (ACA) is complex, and you may have questions about how it impacts you, your family, and your benefits. There are three items you should know.

First, the individual mandate (the requirement that all individuals have health insurance) remains in place. What has changed is the penalty associated with it. As of January 1, 2019, the ACA tax penalty is repealed, and you won't have to pay anything if you don't enroll.

Second, the Health Insurance Marketplace still exists. You can shop for and enroll in insurance plans through the exchange and still apply for income-based subsidies.

Third, for most people, the plans we offer are considered affordable and neither you nor any family members are eligible for the federal subsidies available in the Health Insurance Marketplace, even if you choose not to enroll in Scotland Health Care System's plan.

Effective 2023, the IRS updated how eligibility for subsidies are calculated. This means your spouse and/or child(ren) may be eligible for less expensive coverage on the Health Insurance Marketplace as eligibility for a subsidy is now based on your monthly premium contribution to enroll family members in Scotland Health Care Systems plan. Be sure to complete a thorough evaluation of the Health Insurance Marketplace's plan benefit designs and networks when comparing insurance coverage.

Please refer to your Notice of Health Insurance Marketplace Coverage for general information. For additional information on Marketplace options in your area and subsidy calculators, go to **www.healthcare.gov** or call 1-800-318-2596.

Annual Reminders

Special Enrollment

The Health Insurance Portability and Accountability Act of 1996 (HIPAA), allows a Special Enrollment period in addition to the regular Open Enrollment period. Only the following individuals may enroll outside the Open Enrollment period:

- Individuals who previously waived coverage under this program because they had other coverage and then involuntarily lost the other coverage. Enrollment must occur within 31 days of the loss of other coverage;
- New dependents due to marriage, birth, adoption or placement for adoption. The eligible employee and other dependents who previously did not elect to be covered under the employer's health care plan may also enroll at the time the new dependent is enrolled. Enrollment must occur within 31 days of date of marriage, or 31 days of a birth, adoption or placement for adoption;
- A court has ordered coverage be provided for a spouse or minor child under this plan and request for enrollment is made within 31 days after issuance of such court order;
- If employee and/or dependent(s) become ineligible for Medicaid or the Children's Health Insurance program and request coverage under our plan within 60 days of termination (Please read the Medicaid and the Children's Health Insurance Program notice for more information); or
- If employee and/or dependent(s) become eligible for the state premium assistance program and request coverage under our plan within 60 days after eligibility is determined.

Notice Regarding the Women's Health and Cancer Rights Act of 1998

As required by the Women's Health and Cancer Rights Act (WHCRA) of 1998, this plan provides coverage for:

- All stages of reconstruction of the breast on which the mastectomy has been performed;
- Surgery and reconstruction of the other breast to produce a symmetrical appearance; and
- Prostheses and physical complications of mastectomy, including lymphedemas, in a manner determined in consultation with the attending physician and the patient.

Such coverage may be subject to annual deductibles and coinsurance provisions as may be deemed appropriate and are consistent with those established for other benefits under the plan or coverage. Written notice of the availability of such coverage shall be delivered to the participant upon enrollment and annually thereafter.

Contact Human Resources for more information.

HIPAA Privacy Practices

The Health Insurance Portability and Accountability Act (HIPAA) requires employers to adhere to strict privacy guidelines and establishes your rights with regard to your personal health information. You received a copy of the Scotland Health Care System Group Health Plan Privacy Notice when you were hired. This notice describes how medical information about you may be used and disclosed, and how you can access that information.

If you have any questions regarding the HIPAA Privacy Notice, or would like another copy, please contact Human Resources.

COBRA

COBRA continuation coverage is a temporary continuation of coverage under our employee benefit plan. Please contact Human Resources for a copy of the General Notice of COBRA Continuation Rights. This notice explains your rights and obligations to receive COBRA benefits.

We are not always aware when a COBRA event takes place, unless notified by you. The most common examples are divorce, or when a child exceeds the maximum age. When such an event occurs, the Notice of Qualifying Event must be postmarked within 60 days of the qualifying event for the affected person to be eligible for COBRA continuation. If you have questions about COBRA, please contact Human Resources.

Important Notice from Scotland Health Care System about Your Prescription Drug Coverage and Medicare

Please read this notice carefully and keep it where you can find it. This notice has information about your current prescription drug coverage with Scotland Health Care System and about your options under Medicare's prescription drug coverage. This information can help you decide whether or not you want to join a Medicare drug plan. If you are considering joining, you should compare your current coverage, including which drugs are covered at what cost, with the coverage and costs of the plans offering Medicare prescription drug coverage in your area. Information about where you can get help to make decisions about your prescription drug coverage is at the end of this notice.

There are two important things you need to know about your current coverage and Medicare's prescription drug coverage:

1. Medicare prescription drug coverage became available in 2006 to everyone with Medicare. You can get this coverage if you join a Medicare Prescription Drug Plan or join a Medicare Advantage Plan (like an HMO or PPO) that offers prescription drug coverage. All Medicare drug plans provide at least a standard level of coverage set by Medicare. Some plans may also offer more coverage for a higher monthly premium.
2. Scotland Health Care System has determined that the prescription drug coverage offered by the Scotland Health Care System Employee Benefit Plan is, on average for all plan participants, expected to pay out as much as standard Medicare prescription drug coverage pays and is therefore considered Creditable Coverage. Because your existing coverage is Creditable Coverage, you can keep this coverage and not pay a higher premium (a penalty) if you later decide to join a Medicare drug plan.

When Can You Join a Medicare Drug Plan?

You can join a Medicare drug plan when you first become eligible for Medicare and each year from October 15th to December 7th.

However, if you lose your current creditable prescription drug coverage, through no fault of your own, you will also be eligible for a two (2) month Special Enrollment Period (SEP) to join a Medicare drug plan.

What Happens to Your Current Coverage If You Decide to Join a Medicare Drug Plan?

Plan Participants who also are eligible for Medicare have the following three options concerning prescription drug coverage:

- You may stay in the Plan and not enroll in the Medicare prescription drug coverage at this time. You will be able to enroll in the Medicare prescription drug coverage at a later date without penalty, either (1) during a Medicare prescription drug open enrollment period (October 15–December 7 of each year); or (2) if you lose Plan coverage. This is the best option for most Plan participants who are eligible for Medicare.
- You may stay in the Plan and also enroll in Medicare prescription drug coverage at this time. The Plan will pay prescription drug benefits as the primary payer in most instances. Medicare will pay benefits as a secondary payer, and thus the value of your Medicare prescription drug coverage will be greatly reduced. Your current coverage under the Plan pays for other health benefits as well as prescription drugs and will not change if you choose to enroll in Medicare prescription drug coverage. However, once you enroll in Medicare, you and Scotland Health Care System will not be eligible to make any further contributions to your Health Savings Account. And under the Plan coverage, you must meet the high deductible amounts before the Plan will pay for most prescription drugs.
- You may reject all coverage under the Plan and choose coverage under Medicare as your primary and only payer for all medical and prescription drug expenses. If you do so, you will not be able to receive coverage under the Plan, including prescription drug coverage, unless and until you are eligible to reenroll at the next enrollment period for which you are eligible, if any. Your current coverage pays for other types of health expenses, in addition to prescription drugs, and you will not be eligible to receive any of your current health and prescription drug benefits if you reject coverage under the Plan and choose to enroll in Medicare, including a Medicare prescription drug plan, as your primary and only payer.

When Will You Pay a Higher Premium (Penalty) to Join a Medicare Drug Plan?

You should also know that if you drop or lose your current coverage with Scotland Health Care System and don't join a Medicare drug plan within 63 continuous days after your current coverage ends, you may pay a higher premium (a penalty) to join a Medicare drug plan later.

If you go 63 continuous days or longer without creditable prescription drug coverage, your monthly premium may go up by at least 1% of the Medicare base beneficiary premium per month for every month that you did not have that coverage. For example, if you go nineteen months without creditable coverage, your premium may consistently be at least 19% higher than the Medicare base beneficiary premium. You may have to pay this higher premium (a penalty) as long as you have Medicare prescription drug coverage. In addition, you may have to wait until the following November to join.

For More Information about this Notice or Your Current Prescription Drug Coverage…

Contact the person listed below for further information. NOTE: You'll get this notice each year. You will also get it before the next period you can join a Medicare drug plan, and if this coverage through Scotland Health Care System changes. You also may request a copy of this notice at any time.

For More Information about Your Options under Medicare Prescription Drug Coverage...

More detailed information about Medicare plans that offer prescription drug coverage is in the "Medicare & You" handbook. You'll get a copy of the handbook in the mail every year from Medicare. You may also be contacted directly by Medicare drug plans.

For more information about Medicare prescription drug coverage

- Visit **www.medicare.gov**.
- Call your State Health Insurance Assistance Program (see the inside back cover of your copy of the "Medicare & You" handbook for their telephone number) for personalized help.
- Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

If you have limited income and resources, extra help paying for Medicare prescription drug coverage is available. For information about this extra help, visit Social Security on the web at **www.socialsecurity.gov**, or call them at 1-800-772-1213 (TTY 1-800-325-0778).

Remember: Keep this Creditable Coverage notice. If you decide to join one of the Medicare drug plans, you may be required to provide a copy of this notice when you join to show whether or not you have maintained creditable coverage and, therefore, whether or not you are required to pay a higher premium (a penalty).

Date:	January 1, 2024
Name of Entity/Sender:	Scotland Health Care System
Contact—Position/Office:	Kaylyn Locklear, Benefits & Wellness Manager
Address:	500 Lauchwood Drive Laurinburg, NC 28352
Phone Number:	910.291.7549

Premium Assistance under Medicaid and the Children's Health Insurance Program

If you or your children are eligible for Medicaid or the Children's Health Insurance Program (CHIP) and you're eligible for health coverage from your employer, your state may have a premium assistance program that can help pay for coverage, using funds from their Medicaid or CHIP programs. If you or your children aren't eligible for Medicaid or CHIP, you won't be eligible for these premium assistance programs, but you may be able to buy individual insurance coverage through the Health Insurance Marketplace. For more information, visit **www.healthcare.gov**.

If you or your dependents are already enrolled in Medicaid or CHIP and you live in a State listed below, contact your State Medicaid or CHIP office to find out if premium assistance is available.

If you or your dependents are NOT currently enrolled in Medicaid or CHIP, and you think you or any of your dependents might be eligible for either of these programs, contact your State Medicaid or CHIP office or dial **1-877-KIDS NOW** or **www.insurekidsnow.gov** to find out how to apply. If you qualify, ask your state if it has a program that might help you pay the premiums for an employer-sponsored plan.

If you or your dependents are eligible for premium assistance under Medicaid or CHIP, as well as eligible under your employer plan, your employer must allow you to enroll in your employer plan if you aren't already enrolled. This is called a "special enrollment" opportunity, and **you must request coverage within 60 days of being determined eligible for premium assistance**. If you have questions about enrolling in your employer plan, contact the Department of Labor at **www.askebsa.dol.gov** or call 1-866-444-EBSA (3272).

If you live in one of the following states, you may be eligible for assistance paying your employer health plan premiums. The following list of states is current as of July 31, 2023. Contact your State for more information on eligibility.

ALABAMA – Medicaid

Website: **http://myalhipp.com/**
Phone: 1-855-692-5447

ALASKA – Medicaid

The AK Health Insurance Premium Payment Program
Website: **http://myakhipp.com/**
Phone: 1-866-251-4861
Email: **CustomerService@MyAKHIPP.com**
Medicaid Eligibility: **https://health.alaska.gov/dpa/Pages/default.aspx**

ARKANSAS – Medicaid

Website: **http://myarhipp.com/**
Phone: 1-855-MyARHIPP (855-692-7447)

CALIFORNIA – Medicaid

Website: Health Insurance Premium Payment (HIPP) Program: **http://dhcs.ca.gov/hipp**
Phone: 916-445-8322
Fax: 916-440-5676
Email: **hipp@dhcs.ca.gov**

COLORADO – Health First Colorado (Colorado's Medicaid Program) & Child Health Plan Plus (CHP+)

Health First Colorado Website:
https://www.healthfirstcolorado.com/
Health First Colorado Member Contact Center:
1-800-221-3943/ State Relay 711
CHP+:
https://hcpf.colorado.gov/child-health-plan-plus
CHP+ Customer Service:
1-800-359-1991/ State Relay 711
Health Insurance Buy-In Program (HIBI):
https://www.mycohibi.com/
HIBI Customer Service: 1-855-692-6442

FLORIDA – Medicaid

Website: **https://www.flmedicaidtplrecovery.com/flmedicaidtplrecovery.com/hipp/index.html**
Phone: 1-877-357-3268

GEORGIA – Medicaid

GA HIPP Website: **https://medicaid.georgia.gov/health-insurance-premium-payment-program-hipp**
Phone: 678-564-1162, Press 1
GA CHIPRA Website: **https://medicaid.georgia.gov/programs/third-party-liability/childrens-health-insurance-program-reauthorization-act-2009-chipra**
Phone: (678) 564-1162, Press 2

INDIANA – Medicaid

Healthy Indiana Plan for low-income adults 19-64
Website: **http://www.in.gov/fssa/hip/**
Phone: 1-877-438-4479
All other Medicaid
Website: **https://www.in.gov/medicaid/**
Phone 1-800-457-4584

IOWA – Medicaid and CHIP (Hawki)

Medicaid Website:
https://dhs.iowa.gov/ime/members
Medicaid Phone: 1-800-338-8366
Hawki Website: **http://dhs.iowa.gov/Hawki**
Hawki Phone: 1-800-257-8563
HIPP Website: **https://dhs.iowa.gov/ime/members/medicaid-a-to-z/hipp**
HIPP Phone: 1-888-346-9562

KANSAS – Medicaid

Website: **https://www.kancare.ks.gov/**
Phone: 1-800-792-4884
HIPP Phone: 1-800-766-9012

KENTUCKY – Medicaid

Kentucky Integrated Health Insurance Premium Payment Program (KI-HIPP) Website: **https://chfs.ky.gov/agencies/dms/member/Pages/kihipp.aspx**
Phone: 1-855-459-6328
Email: **KIHIPP.PROGRAM@ky.gov**
KCHIP Website: **https://kidshealth.ky.gov/Pages/index.aspx**
Phone: 1-877-524-4718
Kentucky Medicaid Website: **https://chfs.ky.gov**

LOUISIANA – Medicaid

Website: **www.medicaid.la.gov** or **www.ldh.la.gov/lahipp**
Phone: 1-888-342-6207 (Medicaid hotline) or 1-855-618-5488 (LaHIPP)

MAINE – Medicaid

Enrollment Website: **https://www.mymaineconnection.gov/benefits/s/?language=en_US**
Phone: 1-800-442-6003 / TTY: Maine relay 711
Private Health Insurance Premium Webpage: **https://www.maine.gov/dhhs/ofi/applications-forms**
Phone: 1-800-977-6740 / TTY: Maine relay 711

MASSACHUSETTS – Medicaid and CHIP

Website: **https://www.mass.gov/masshealth/pa**
Phone: 1-800-862-4840
TTY: (617) 886-8102

MINNESOTA – Medicaid

Website: **https://mn.gov/dhs/people-we-serve/children-and-families/health-care/health-care-programs/programs-and-services/other-insurance.jsp**
Phone: 1-800-657-3739

MISSOURI – Medicaid

Website: **http://www.dss.mo.gov/mhd/participants/pages/hipp.htm**
Phone: 573-751-2005

MONTANA – Medicaid

Website: **http://dphhs.mt.gov/MontanaHealthcarePrograms/HIPP**
Phone: 1-800-694-3084
Email: **HHSHIPPProgram@mt.gov**

NEBRASKA – Medicaid

Website: **http://www.ACCESSNebraska.ne.gov**
Phone: 1-855-632-7633
Lincoln: 402-473-7000
Omaha: 402-595-1178

NEVADA – Medicaid

Medicaid Website: **http://dhcfp.nv.gov**
Medicaid Phone: 1-800-992-0900

NEW HAMPSHIRE – Medicaid

Website: **https://www.dhhs.nh.gov/programs-services/medicaid/health-insurance-premium-program**
Phone: 603-271-5218
Toll free number for the HIPP program:
1-800-852-3345, ext. 5218

NEW JERSEY – Medicaid and CHIP

Medicaid Website: **http://www.state.nj.us/humanservices/dmahs/clients/medicaid/**
Medicaid Phone: 609-631-2392
CHIP Website:
http://www.njfamilycare.org/index.html
CHIP Phone: 1-800-701-0710

NEW YORK – Medicaid

Website: **https://www.health.ny.gov/health_care/medicaid/**
Phone: 1-800-541-2831

NORTH CAROLINA – Medicaid

Website: **https://medicaid.ncdhhs.gov/**
Phone: 919-855-4100

NORTH DAKOTA – Medicaid

Website: **http://www.nd.gov/dhs/services/medicalserv/medicaid/**
Phone: 1-844-854-4825

OKLAHOMA – Medicaid and CHIP

Website: **http://www.insureoklahoma.org**
Phone: 1-888-365-3742

OREGON – Medicaid

Website: **http://healthcare.oregon.gov/Pages/index.aspx**
http://www.oregonhealthcare.gov/index-es.html
Phone: 1-800-699-9075

PENNSYLVANIA – Medicaid

Website: **https://www.dhs.pa.gov/Services/Assistance/Pages/HIPP-Program.aspx**
Phone: 1-800-692-7462
CHIP Website: **https://www.dhs.pa.gov/CHIP/Pages/CHIP.aspx**
CHIP Phone: 1-800-986-KIDS (5437)

RHODE ISLAND – Medicaid and CHIP

Website: **http://www.eohhs.ri.gov/**
Phone: 1-855-697-4347, or
401-462-0311 (Direct RIte Share Line)

SOUTH CAROLINA – Medicaid

Website: **https://www.scdhhs.gov**
Phone: 1-888-549-0820

SOUTH DAKOTA - Medicaid

Website: **http://dss.sd.gov**
Phone: 1-888-828-0059

TEXAS – Medicaid

Website: **http://gethipptexas.com/**
Phone: 1-800-440-0493

UTAH – Medicaid and CHIP

Medicaid Website: **https://medicaid.utah.gov/**
CHIP Website: **http://health.utah.gov/chip**
Phone: 1-877-543-7669

VERMONT– Medicaid

Website: **https://dvha.vermont.gov/members/medicaid/hipp-program**
Phone: 1-800-250-8427

VIRGINIA – Medicaid and CHIP

Website: **https://www.coverva.org/en/famis-select**
https://www.coverva.org/en/hipp
Medicaid/CHIP Phone: 1-800-432-5924

WASHINGTON – Medicaid

Website: **https://www.hca.wa.gov/**
Phone: 1-800-562-3022

WEST VIRGINIA – Medicaid and CHIP

Website: **https://dhhr.wv.gov/bms/**
http://mywvhipp.com/
Medicaid Phone: 304-558-1700
CHIP Toll-free phone: 1-855-MyWVHIPP
(1-855-699-8447)

WISCONSIN – Medicaid and CHIP

Website: **https://www.dhs.wisconsin.gov/badgercareplus/p-10095.htm**
Phone: 1-800-362-3002

WYOMING – Medicaid

Website: **https://health.wyo.gov/healthcarefin/medicaid/programs-and-eligibility/**
Phone: 1-800-251-1269

To see if any other states have added a premium assistance program since July 31, 2023, or for more information on special enrollment rights, contact either:

U.S. Department of Labor
Employee Benefits Security Administration
www.dol.gov/agencies/ebsa
1-866-444-EBSA (3272)

U.S. Department of Health and Human Services
Centers for Medicare & Medicaid Service
www.cms.hhs.gov
1-877-267-2323, menu option 4, ext. 61565