

Nov. 1 – 30 is the time for all Seton associates to review their medical, dental, vision and life insurance benefits and determine their coverage for calendar year 2012.

This year, in response to associate requests, we are pleased to offer three new benefits:

- **Hearing aids for dependent children** to age 18, up to \$5,000 every two years.
- An option for associates who would like to provide **health and basic vision coverage for a legally domiciled beneficiary (LDB)**. This means that a permanent resident of your household who is not an eligible child or adult may be enrolled in the Seton Health plan as long as you are not enrolling a spouse. *Note: Seton's contribution to premiums for LDB is taxable per IRS guidelines and associate premiums may be taxable as well.*

- **Long-term Care insurance.** Details will be provided in time for a February 2012 enrollment period and coverage may commence in March or April.

Insurance is a great foundation for staying strong, and Seton offers many other benefits that can help you develop the physical, spiritual and financial strength you desire. After you read this document, please go to the 2012 Benefits Open Enrollment page on the intranet to get more details.

#### **Trennis Jones**

SVP for Administrative Services and  
Chief Corporate Responsibility Officer  
Seton Healthcare Family

## Do I Need to Take Action?

You must use the [www.setonbenefitsenroll.com](http://www.setonbenefitsenroll.com) "wizard" if you want to:

- add, discontinue or change medical, dental, vision and/or life insurance coverage for you and your dependents
- participate in a flexible spending account for either health or dependent care expenses
- add or remove dependents
- add or remove beneficiaries.

If you do not take action by Nov. 30, 2011, your current benefit elections – excluding dependent/health spending accounts – will automatically roll over to 2012. **You will not be able to make any changes in 2012 unless you have an IRS qualifying event.**

## 2012 Benefit Highlights

### **No change to co-pays.**

### **Option to Cover a Spouse OR One Legally Domiciled Beneficiary (LDB)**

As a leading advocate for a more innovative, integrated and just system of care that helps Central Texas achieve 100% access to the health care people need, in the 2012 plan year Seton will recognize a new category of associate household member, called a legally domiciled beneficiary (LDB). Examples of LDBs include, but are not limited to, a parent, adult child, sibling, grandchild or unrelated adult or minor child who does not otherwise qualify under medical plan eligibility. During open enrollment, you may designate medical and basic vision coverage for one LDB. See page 4 for details.

### **Hearing Aids for Kids**

The Seton EPN and Expanded EPN Medical Plans now include coverage of hearing aids for eligible dependent children up to age 18, up to \$2,500 per ear once every two years.

### **Long-term Care Benefit**

Long-term Care benefits are consistent with Seton's commitment to respond to the wellness needs of our associates. Beginning in February 2012, Prudential Life Insurance will offer Long-term Care insurance to associates, their spouses and/or parents as a new stand-alone benefit. See page 6 for details.

### **Enrollment wizard available in Spanish**

If you have colleagues for whom Spanish is a first language, encourage them to review their benefit elections in Spanish at [www.setonbenefitsenroll.com](http://www.setonbenefitsenroll.com).



# How to Enroll in 2012 Benefits

1. Reactivate your email account and network access! If your online accounts are dormant, contact the Seton IS Service Desk, (512) 324-1675.
2. Once you have scanned this brochure and read the information posted on the intranet, you are ready to enroll. If you experience difficulty accessing the online enrollment tool or need general assistance, please email askHR@seton.org. You will be required to provide a valid Social Security number and birth date for yourself and the dependents you enroll.
3. Connect to the online enrollment page via the link on the left-hand side of the Seton intranet home page OR type **www.setonbenefitsenroll.com** into the browser on any internet-enabled computer at work or home.
4. Enter your six-digit Associate ID and Personal ID Number (PIN). Then click the "Log In" button. If you have forgotten your Personal ID number, click on "Forgot your PIN?" to instantly recreate your PIN.
5. Once you've logged in, select "Enroll in Benefits." Follow the instructions provided on the screen. The enrollment wizard will walk you through the process.
6. Read and respond to the Authorization Information page to verify that enrolled dependents meet IRS guidelines. Seton performs regular dependent audits to ensure IRS compliance.
7. Confirm your elections and view your benefits summary. Once you are satisfied, you must click "Save and submit elections." **If you do not click "Save and submit," your enrollment will not be submitted.**
8. **IMPORTANT!** At this point you will be given the option to print a confirmation statement. You must enter a valid email address to receive a statement. Please print your statement as your record of enrollment and keep it in a safe place as proof of your benefit elections.

# Medical Plans

The **EPN** plan encourages participants to use Seton facilities for services and to select from among the lengthy list of excellent physicians who are under contract with the Seton Health Plan. There are no deductibles for the EPN plan.

The **EPNX** (Expanded EPN) plan is an option for associates who require providers not included on the EPN provider list or outside of our service area. The EPNX plan covers the same services as the EPN plan. Please note that the EPNX plan has deductibles and coinsurance as well as higher premiums than the EPN plan. Out-of-network physicians and facilities are covered at 60% after the deductible(s).

## 2012 Medical Comparison Highlights

	EPN In-Network	EPNX In-Network	EPNX Out-of-Network
<b>Deductibles</b>			
Deductible – Individual	None	\$500	\$500
Deductible – Family	None	\$1,000	\$1,000
<b>Co-Pays</b>			
Prescription Drugs			
Generic	\$15	\$15	n/a
Preferred	\$30	\$30	n/a
Non-preferred	\$60	\$60	n/a
<b>Outpatient Services</b>			
PCP/Specialist	\$25 – \$35	\$25 – \$35	40%
Urgent Care Clinic	\$45	\$45	40%
Emergency Room	\$125	\$125	40%
<b>Inpatient Services</b>			
Hospitalization	\$100/day; max \$500	\$100/day; max \$500	\$100/day; max \$500
Maximum annual out-of-pocket	\$1,500	\$1,500	\$10,000/individual; \$25,000/family

A complete list of covered expenses and applicable co-pays can be found by clicking the Open Enrollment link on the home page of the intranet.

The Seton Brain & Spine Institute (SBSI) offers a Low Back Pain Program for eligible participants seeking relief from back pain. A team of specialists — surgeons, non-surgical physicians, chiropractors and physical therapists — coordinate care, often helping patients avoid surgery. SBSI will **waive co-pays** for associates. For more information or to schedule an evaluation, call (512) 324-SBSI (7274).



# Dental Plans

Seton offers three Delta Dental plans that allow you to go to the provider of your choice. Participants can stretch their benefit dollars by selecting a Delta Dental in-network provider.

## 2012 Dental Plan Comparison Highlights

	Delta Dental Base Benefit	Delta Dental Option 1	Delta Dental Option 2
Choice of Dentist	Member may see any dentist; Delta Dental network dentists will cost less	Member may see any dentist; Delta Dental network dentists will cost less	Member may see any dentist; Delta Dental network dentists will cost less
Annual Deductible	None	\$25 per member \$75 per family	\$50 per member \$150 per family
Orthodontia (child to age 19 only)	No Coverage	No Coverage	50% up to \$1,500 lifetime maximum
Maximum Annual Benefits (per member)	\$500	\$1,000	\$1,500 (in addition to orthodontia)

# Vision Plans

The EPN and EPNX medical plans offer basic vision benefits at no additional cost to participants – an eye exam every 12 months with a 20% discount on glasses and selected frames. In addition, there is a 15% discount on the professional fees associated with contact lenses. The basic plan has a \$10 exam co-pay.

The VSP Vision “buy-up” plan provides for eye exams as well as lenses or contacts every plan year and frames every other plan year. This plan is better for associates who typically change prescriptions every year.

## 2012 Vision Comparison Highlights

	VSP Basic	VSP Buy-up Option
<b>Co-Pays</b>	\$10 exam co-pay	\$10 exam co-pay \$25 prescription glasses co-pay
<b>Covered in full</b>	Exam every 12 months with VSP-contracted providers	Exam every 12 months with VSP-contracted providers
<b>Lenses</b>	20% discount when a complete pair of glasses is purchased	100% for single vision, lined bifocal and lined trifocal
<b>Frames</b>	20% discount when a complete pair of glasses is purchased, selected frames	Up to \$120 every two years and 20% off out-of-pocket costs
<b>Contacts</b>	15% discount on lens fitting and evaluation exam	Up to \$120 every 12 months toward lenses including evaluation exam in lieu of glasses





# Option to Cover One Legally Domiciled Beneficiary (LDB)

As a leading advocate for a more innovative, integrated and just system of care that helps Central Texas achieve 100% access to the health care people need, in the 2012 plan year Seton will recognize a new category of associate household member, called a legally domiciled beneficiary (LDB).

Examples of LDBs include, but are not limited to, a parent, adult child, sibling, grandchild or unrelated adult or minor child who does not otherwise qualify under medical plan eligibility. An LDB is not necessarily a dependent of the associate. Eligibility is established by proof that the beneficiary has resided within the associate's household for six months prior to the start of coverage.

An associate is limited to one LDB instead of a spouse. This limit is intended to help Seton be a good steward of resources while responsibly expanding access to health care coverage, e.g., as of June 30, 2011, for Jan. 1, 2012, effective date.

## Criteria for LDB Participation in Health Insurance Plan

The legally domiciled beneficiary must

1. reside in the same primary residence as the associate;
2. have been a member of the associate's household for at least six months prior to start of coverage and is not an employee (e.g., nanny) of the associate; and
3. not be a spouse or eligible child.

The criteria are consistent with guidelines provided to Seton by the Ascension Health system.

## Four-tier Enrollment Structure for Health Plan Premiums

- Associate only
- Associate and a spouse OR LDB
- Associate and [eligible] child(ren)
- Family (eligible child[ren] AND spouse OR LDB)

**Tax Note:** Because not all LDBs will be qualified tax dependents, Seton will count its portion of the premium for an LDB as income for the associate. Should an associate believe an LDB is a qualified tax dependent under IRS guidelines, please consult with a tax advisor while preparing your tax returns. Non-qualified dependent premiums will be added as a post-tax deduction.

An associate may only add an LDB to the medical and basic vision plans as a new hire or during the annual open enrollment. An LDB may be removed during open enrollment or due to an IRS qualifying event.

For more information on coverage for LDBs, please go to the 2012 Open Enrollment section on the Benefits page on the Seton intranet.

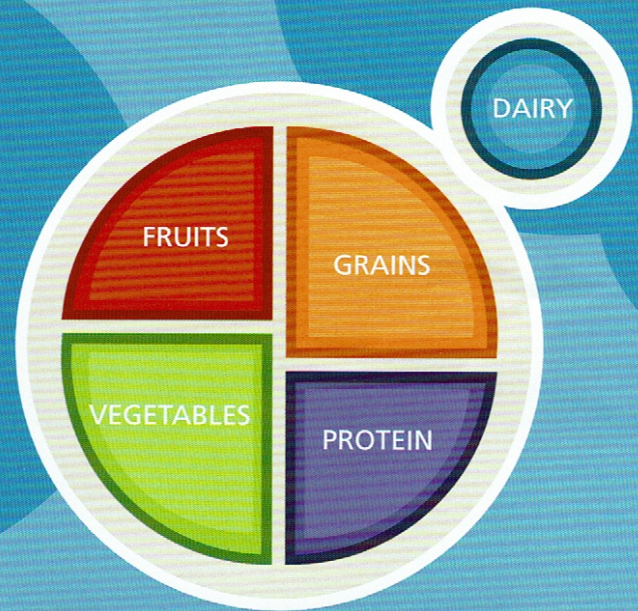
"Seton is pleased to offer expanded insurance coverage for our associates and those who depend on them. God's unconditional love for all and our Vincentian heritage of service leads us to find creative and responsible ways to make health care more available."

- Sr. Helen Brewer, DC, Chair, Seton Board of Trustees



# The New and Improved Food 'Pyramid'

In June of this year, the USDA retired the well-known food pyramid and introduced a new image of a plate divided into basic food groups. The plate shows proper proportions for fruits, vegetables, proteins and grains, and a cup indicates dairy. The major change from the old pyramid is the significant emphasis on fruits and vegetables.



Other key recommendations released with the new guidelines are:

## Balancing Calories

- Enjoy your food, but eat less.
- Avoid oversized portions.

## Foods to Increase

- Make half your plate fruits and vegetables.
- Make at least half your grains whole grains.
- Switch to fat-free or low-fat (1%) milk.

## Foods to Reduce

- Compare sodium in foods like soup, bread and frozen meals – and choose the foods with lower numbers.
- Drink water instead of sugary drinks.



## SAMPLE MENU

### BREAKFAST

Cold cereal:

- 1 cup ready-to-eat oat cereal*
- 1 medium banana*
- ½ cup fat-free milk*

1 slice whole wheat toast

- 1 tsp tub margarine*

Beverage: 1 cup prune juice

### LUNCH

Tuna salad sandwich:

- 2 slices rye bread*
- 2 ounces tuna*
- 1 Tbsp mayonnaise*
- 1 Tbsp chopped celery*
- ½ cup shredded lettuce*

1 medium peach

Beverage: 1 cup fat-free milk

### DINNER

Roasted chicken:

- 3 ounces cooked chicken breast*
- 1 large sweet potato, roasted*
- ½ cup succotash (limas & corn)*
- 1 tsp tub margarine*

1 ounce whole wheat roll

- 1 tsp tub margarine*

Beverage: 1 cup water, coffee or tea

### SNACKS

2 Tbsp raisins

1 ounce unsalted almonds



## Long-term Care

As part of Ascension Health's agreement with Prudential Life Insurance, Seton associates, their spouses and/or their parents will be able to obtain good prices on Long-term Care insurance. The plan pays for nursing care or care provided by a professional or informal caregiver, such as a friend or family member.

This new stand-alone benefit will be billed directly to associates and is not available through payroll deduction.

Enrollment in Long-term Care insurance coverage will be offered in February 2012 and will be effective in March or April 2012. Look for additional information on this benefit on the intranet as enrollment time approaches.

## Disability Insurance

Short-term and long-term disability insurance plans are designed to replace a portion of your income if you are unable to work due to an illness or injury.

Seton subsidizes the pre-tax, voluntary **Short-term Disability** plan based on an associate's pay rate. In most cases, short-term disability insurance pays benefits for the first 90 days of disability after you complete a seven-day waiting period. You can choose between two benefit levels:

- 60% of weekly base pay with a maximum of \$1,000 per week
- 60% of weekly base pay with no weekly maximum

**Long-term Disability** insurance continues to pay a portion of your income after a 90-day elimination period during which you may be covered under short-term disability insurance. It is a core benefit for associates who have completed 10 years of service, physicians and Leadership Team members. All other associates may elect one of two options for long-term disability coverage as a pre-tax, voluntary benefit:

- 60% of monthly base pay
- 70% of monthly base pay

## Diabetes Is a Family Matter

Uncontrolled diabetes affects not only the person with the disease, but family members and co-workers as well. That's why Seton offers its Living Well with Diabetes management program free of charge to associates. The program includes:

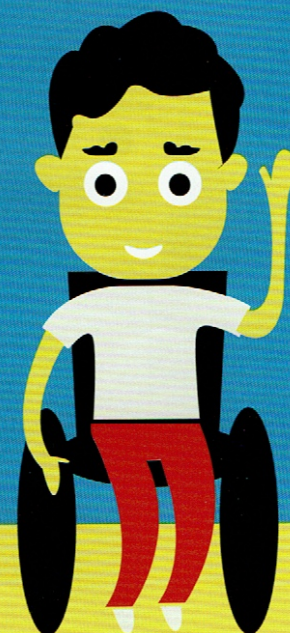
- A free three-session education program
- Free personal nutrition consultations
- Access to expert presentations
- Ongoing follow-up and support for six months.

For more information, search on "diabetes" at [www.setonhealthplan.com](http://www.setonhealthplan.com).

### ADDITIONAL RESOURCES

2012 Benefits Open Enrollment Page (link from intranet home page)  
[www.setonbenefitsenroll.com](http://www.setonbenefitsenroll.com)

Can't find what you need online? Email the HR Resource Center at [askHR@seton.org](mailto:askHR@seton.org)





# Flexible Spending Accounts

Seton offers two types of flexible spending accounts – one for health care expenses and the other for dependent care expenses such as child care. The flexible spending accounts permit you to set aside money on a pre-tax basis to cover eligible health care and dependent care expenses.

The maximum contribution to each of the flexible spending accounts is \$5,000 per calendar year. As part of the health care reform legislation, starting Jan. 1, 2013, pre-tax health care FSA contributions will be limited to \$2,500 per calendar year. This annual limit will be indexed for inflation beginning in 2014. Health care spending accounts can be used for such out-of-pocket expenses as co-pays, deductibles, prescription medicines, prescription glasses and contact lenses.

**Reminder:** Over-the-counter medicines are only eligible if prescribed by a physician.

A dependent care spending account can be used for nursery school, child care or elder care. The \$5,000 calendar year maximum is a total household limit for associate and spouse.

Use the estimator tool on the ADP website [www.flexdirect.adp.com](http://www.flexdirect.adp.com) to estimate how much money to set aside in a flexible spending account.

**IMPORTANT: Be careful not to confuse these accounts when you enroll! Funds designated for a dependent care spending account cannot be used toward health care expenses. Remember, expenses are “use or lose” by Dec. 31 of the plan year.**

## FAQ

### **Does my dependent meet eligibility requirements?**

Enrolling a dependent who does not meet IRS eligibility requirements may jeopardize the plan's tax-qualified status and result in serious consequences. Please read about family member eligibility on the intranet 2012 Benefits Open Enrollment page.

### **What are the minimum and maximum amounts that I can contribute per paycheck to the FSA for health care and dependent care?**

You may contribute a minimum of \$11 up to a maximum of \$208 per pay check into each account.

### **Does my LDB qualify as a dependent for reimbursement from FSA benefits?**

Federal tax law prohibits the reimbursement of expenses under a health or dependent care account for an LDB who is not a tax-qualified dependent. If your LDB meets the definition of a “tax-qualified” dependent, he/she may qualify as a dependent for purposes of FSA reimbursement.

Given the complexity of the criteria, we recommend that you consult with a tax professional about your particular situation.

### **When will I receive my 2012 Seton Health Plan card(s)?**

You'll receive your card(s) at your home mailing address in January 2012.

### **When do I receive my flexible spending account card?**

If you already have an ADP FSA Debit Card, keep it. On Jan. 1, 2012, ADP will automatically credit your annual contribution to your account and the card will be reactivated for 2012. When the card expires, ADP will send you a new one.

If you're a first-time FSA participant, you'll receive your debit card in January.

### **Do I really need a medical home?**

Yes. A medical home is a key wellness strategy. Seton will participate in Austin Regional Clinic's ARC Patient-Centered Medical Home program in 2012.



ARC Medical Home

