

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 2011.

As a result of the Affordable Care Act passed by Congress, Seton associates can enroll dependent children below the age of 26 in our health plan if they meet eligibility requirements. Also this year, we are providing three dental plan options under one insurance carrier, and we are enhancing the life insurance options with a shift to a different insurance carrier.

With all these changes, it is vital that you **study the options in the Medical, Dental, Vision and Insurance Comparison Charts and corresponding premium rates**

on the Seton intranet before you make your benefit elections. Please pay particular attention to changes in our life insurance offering.

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 2011 Benefits Open Enrollment page on the intranet to get more details.

Trennis Jones

SVP

Chief Administrative Officer and Corporate Responsibility Officer
Seton Family of Hospitals

Do I Need to Take Action?

You must use the www.setonbenefitsenroll.com "wizard" if you want to:

- add, discontinue or change medical, dental, vision and/or life insurance coverage
- 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, 2010, your current benefit elections – excluding dependent/health spending accounts – will automatically roll over to 2011. **You will not be able to make any changes in 2011 unless you have a qualifying event.**

2011 Benefit Highlights

Lower rates and higher limits on life insurance

Prudential Life Insurance, a new provider, is offering coverage without evidence of insurability (EOI) to all benefit-eligible associates for the 2011 Plan Year. You may elect insurance up to two times your base salary if you currently do not have insurance, or increase your insurance in an amount equal to your base salary if you already have coverage. Beginning in 2012, EOI will be required for any increase in coverage.

More dental plan options

Based on associate feedback, Seton is discontinuing the Assurant dental plan as of Jan. 1, 2011, and replacing it with multiple options from Delta Dental. Delta Dental allows you to go to the provider of your choice, although participants can stretch their benefit dollars by selecting a dentist from Delta's large participating provider network.

Extension of dependent coverage to age 26

In accordance with health care reform, dependents under age 26 whose coverage ended and/or were denied or not eligible for coverage for Plan Year 2010 are eligible to enroll in the 2011 benefits provided they are not eligible for any other employer-sponsored coverage. Benefit-eligible associates may request enrollment for such children during Seton's open enrollment period, Nov. 1 – 30, 2010. Enrollment will be effective Jan. 1, 2011. Note: To ensure compliance with IRS regulations, a third-party company will audit enrollment in 2011 to validate dependent eligibility. See the intranet 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.

How to Enroll in 2011 Benefits

1. Reactivate your e-mail 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, an HR Resource Center Specialist (512-324-1776) can assist you. 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.
7. Confirm your elections and view your benefits summary. Once you are satisfied, you must click "Finish." **If you do not click "Finish," 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 e-mail 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).

2011 Medical Comparison Highlights

	EPN In-Network	EPNX In-Network	EPNX Out-of-Network
DEDUCTIBLES			
Deductible – Individual	None	\$500	\$500
Deductible – Family	None	\$1,000	\$1,000
CO-PAYS			
Prescription Drugs			
Generic	\$15	\$15	n/a
Preferred	\$30	\$30	n/a
Non-preferred	\$60	\$60	n/a
Outpatient Services			
PCP/Specialist	\$25 – \$35	\$25 – \$35	40%
Urgent Care Clinic	\$45	\$45	40%
Emergency Room	\$125	\$125	40%
Inpatient Services			
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.

Dental Plans

Seton is now offering 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. We will no longer offer dental services through Assurant Dental. Please complete any outstanding work with an Assurant dentist by Dec. 31, 2010.

2011 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)

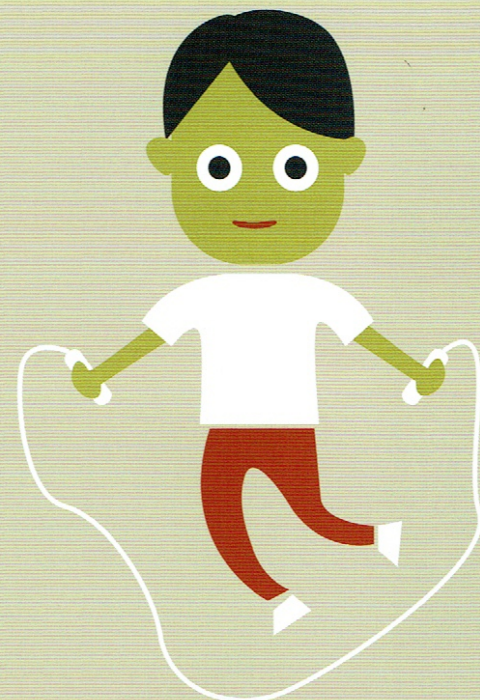
Vision Plans

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.

2011 Vision Comparison Highlights

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



Exercise and Diet Journal

Week 1

EXERCISE LOG					
Date	Cardio	Weights	Stretching		

END OF WEEK 1 MEASUREMENTS					
Chest	Arms	Waist	Hips	Thighs	Calves

Meal	Day 1 FOOD	Day 1 CALORIES	Day 2 FOOD	Day 2 CALORIES
Breakfast				
Snack (1)				
Lunch				
Snack (2)				
Dinner				
Snack (3)				

Week 2

EXERCISE LOG					
Date	Cardio	Weights	Stretching		

END OF WEEK 2 MEASUREMENTS					
Chest	Arms	Waist	Hips	Thighs	Calves

Meal	Day 1 FOOD	Day 1 CALORIES	Day 2 FOOD	Day 2 CALORIES
Breakfast				
Snack (1)				
Lunch				
Snack (2)				
Dinner				
Snack (3)				

Week 3

EXERCISE LOG					
Date	Cardio	Weights	Stretching		

END OF WEEK 3 MEASUREMENTS					
Chest	Arms	Waist	Hips	Thighs	Calves

Meal	Day 1 FOOD	Day 1 CALORIES	Day 2 FOOD	Day 2 CALORIES
Breakfast				
Snack (1)				
Lunch				
Snack (2)				
Dinner				
Snack (3)				

Week 4

EXERCISE LOG					
Date	Cardio	Weights	Stretching		

END OF WEEK 4 MEASUREMENTS					
Chest	Arms	Waist	Hips	Thighs	Calves

Meal	Day 1 FOOD	Day 1 CALORIES	Day 2 FOOD	Day 2 CALORIES
Breakfast				
Snack (1)				
Lunch				
Snack (2)				
Dinner				
Snack (3)				

Life Insurance

Effective Jan. 1, 2011, Supplemental Life and Accidental Death & Dismemberment Insurance will be administered by Prudential Life Insurance Company. There are several enhancements, all of them detailed on the intranet. Here are some highlights:

- Non-participants may elect coverage for 2011 of up to two times annual pay without evidence of insurability.
- Current participants may elect to increase their coverage for 2011 by an amount equal to annual base pay without evidence of insurability.
- The waiving of evidence of insurability is a one-time opportunity for the 2011 benefit year. In future years, enrollees will have to provide evidence of insurability that is satisfactory to Prudential.

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

ADDITIONAL RESOURCES

2011 Benefits Open Enrollment Page (link from intranet home page)

www.setonbenefitsenroll.com

Can't find what you need online? Call the HR Resource Center at (512) 324-1776, Monday through Friday, 8 a.m. – 5 p.m.

Diabetes Is a Family Matter

Uncontrolled diabetes affects not only the person with the disease, but family members and coworkers 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.



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.

Health care spending accounts can be used for such out-of-pocket expenses as co-pays, deductibles, prescription medicines, prescription glasses and contact lenses.

New in 2011 based on health care reform: 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.

Use the estimator tool on the ADP website 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.

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 2011 Benefits Open Enrollment page. If you still have questions, please call (512) 324-1776.

When will I receive my 2011 Seton Health Plan card(s)?

You'll receive your card(s) at your home mailing address in January 2011.

When do I receive my flexible spending account card?

If you already have an ADP FSA Debit Card, keep it. On Jan. 1, 2011, ADP will automatically credit your annual contribution to your account and the card will be reactivated for 2011. 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.

