# 2018 COBRA Benefits Guide

## Pioneer Medical Group, Inc. (PMG)
## Preferred Diagnostic Imaging LLC (PDI)
## Eagle Business Performance Services LLC (Eagle)

## *Important Contacts*

| Plan/Program | Insurance Company/Administrator |
|---|---|
| Medical<br>(UnitedHealthcare) | PPO Plans 494 and 521: 866.633.2446<br>HDHP HSA Plans 557 and 552: 866.314.0335<br>HMO Plans: 800.624.8822<br>myuhc.com |
| Dental<br>(Guardian) | PPO Plans: 800.541.7846<br>DHMO Plan: 888.618.2016<br>guardiananytime.com |
| Vision<br>(Guardian) | Davis Network: 877.393.7363<br>VSP Network: 877.814.8970<br>guardiananytime.com |
| Flexible Spending Accounts<br>(WageWorks) | 877.924.3967<br>wageworks.com |
| COBRA<br>(Benefit Concepts) | 866.629.6478<br>mybenefits.benefitconcepts.com |
| HR/Benefits | 562.229.9452 ext 1068<br>Email: bmedina2@pioneermedicalgroup.com<br>acardena@pioneermedicalgroup.com<br>Monday - Friday 8:00am-5:00pm PT |

## Important Information About Medicare Prescription Drug Coverage

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 refer to pages 10-11 for more details.

# *Introduction and Health Insurance Marketplace*



## Introduction

This guide highlights the plans available to Consolidated Omnibus Budget Reconciliation Act (COBRA) participants for the 2018 plan year.

If you have any questions regarding COBRA continuation coverage, contact Benefit Concepts at 866.629.6478. Questions regarding benefit plan provisions should be directed to the respective plan's member services department.

## Health Insurance Marketplace

In addition to having the opportunity to enroll for COBRA continuation coverage, you should keep in mind that you may be able to get coverage through the Health Insurance Marketplace that costs less than COBRA continuation coverage.

The Marketplace offers "one-stop shopping" to find and compare private health insurance options. In the Marketplace, you could be eligible for a tax credit that lowers your monthly premiums and cost-sharing reductions (amounts that lower your out-of-pocket costs for deductibles, coinsurance, and copayments) right away, and you can see what your premium, deductibles, and out-of-pocket costs will be before you make a decision to enroll.

Through the Marketplace, you'll also learn if you qualify for free or low-cost coverage from Medicaid or the Children's Health Insurance Program (CHIP). You can access the Marketplace for your state at ***healthcare.gov***. Being offered COBRA continuation coverage won't limit your eligibility for coverage or for a tax credit through the Marketplace.

If you sign up for COBRA continuation coverage, you can switch to a Marketplace plan during a Marketplace open enrollment period. You can also end your COBRA continuation coverage early and switch to a Marketplace plan through a special enrollment period if you have another qualified status change, such as marriage or the birth of a child. If you terminate your COBRA continuation coverage early without another qualified status change, you'll have to wait until the next open enrollment to enroll in Marketplace coverage. You could end up without any health coverage while you wait for the next Marketplace open enrollment period.

Once you've exhausted your COBRA continuation coverage and the coverage ends, you'll be eligible to enroll in Marketplace coverage through a special enrollment period, even if the Marketplace open enrollment has ended.

If you sign up for Marketplace coverage instead of COBRA continuation coverage, you cannot switch to COBRA continuation coverage under any circumstances.

This guide presents highlights of the plans applicable to COBRA Qualified Beneficiaries for the 2018 calendar year. It is not a Summary Plan Description and, since only brief summaries are provided, it is important to refer to the evidence of coverage and insurance certificates for the complete terms, provisions, limitations and exclusions. If you have any questions regarding the information contained in this guide, please contact HR/Benefits.

## 2018 Monthly COBRA Rates

| Medical (Monthly Cost) | | | | |
|---|---|---|---|---|
| **Plan** | **Participant Only** | **Participant + Spouse/DP** | **Participant + Child(ren)** | **Participant + Family** |
| **Option 1 PPO Plan 494**<br>BC Plan Code UH494 | $833.95 | $1,943.11 | $1,584.50 | $2,535.21 |
| **Option 2 PPO Plan 521**<br>BC Plan Code UH521 | $824.25 | $1,920.50 | $1,566.08 | $2,505.73 |
| **Option 3 HDHP HSA Plan 557**<br>BC Plan Code UH557 | $664.05 | $1,547.24 | $1,261.70 | $2,018.70 |
| **Option 4 HDHP HSA Plan 552**<br>BC Plan Code UH552 | $659.08 | $1,535.66 | $1,252.25 | $2,003.61 |
| **Option 5 HMO Value Network Plan UM4/3IF**<br>BC Plan Code UHHMV | $606.53 | $1,334.40 | $1,091.78 | $1,880.24 |
| **Option 6 HMO Full Network Plan U90/3IF**<br>BC Plan Code UHHMF | $1,015.56 | $2,232.86 | $1,826.87 | $3,146.31 |

| Dental (Monthly Cost) | | | | |
|---|---|---|---|---|
| **Plan** | **Participant Only** | **Participant + Spouse/DP** | **Participant + Child(ren)** | **Participant + Family** |
| **Option 1 PPO Low Plan**<br>BC Plan Code GUARL | $16.64 | $36.15 | $43.52 | $64.99 |
| **Option 2 PPO Medium Plan**<br>BC Plan Code GUARM | $31.02 | $62.34 | $81.98 | $116.46 |
| **Option 3 PPO High Plan**<br>BC Plan Code GUARH | $39.16 | $78.07 | $102.98 | $145.81 |
| **Option 4 DHMO Plan**<br>BC Plan Code GUHMO | $10.67 | $21.13 | $29.81 | $41.15 |

| Vision (Monthly Cost) | | | | |
|---|---|---|---|---|
| **Plan** | **Participant Only** | **Participant + Spouse/DP** | **Participant + Child(ren)** | **Participant + Family** |
| **Option 1 Exam Plus Allowance (Davis Network)**<br>BC Plan Code VEPDN | $4.62 | $7.77 | $7.93 | $12.55 |
| **Option 2 Exam Plus Allowance (VSP Network)**<br>BC Plan Code VEPVN | $4.28 | $7.21 | $7.35 | $11.64 |
| **Option 3 Full Feature (Davis Network)**<br>BC Plan Code VFFDN | $6.39 | $10.74 | $10.95 | $17.34 |
| **Option 4 Full Feature (VSP Network)**<br>BC Plan Code VFFVN | $7.09 | $11.93 | $12.17 | $19.25 |

## Medical Plans

The following chart summarizes the key features of the medical plans for the 2018 plan year.

Refer to *"2018 Monthly COBRA Rates"* on page 3 for the applicable cost.

| Medical Plans (UnitedHealthcare) | | | | | | |
|---|---|---|---|---|---|---|
| Key Features | Option 1 | | Option 2 | | Option 3 | |
| | PPO Plan 494 | | PPO Plan 521 | | HDHP HSA Plan 557 | |
| | In-Network | Out-of-Network | In-Network | Out-of-Network | In-Network | Out-of-Network |
| | You Pay | You Pay | You Pay | You Pay | You Pay | You Pay |
| **Calendar Year Deductible (ded.)** | | | | | | |
| Individual | $500 | $1,000 | $1,000 | $2,000 | $2,700 | $5,200 |
| Family | $1,000 | $2,000 | $2,000 | $4,000 | $5,400 | $10,400 |
| **Calendar Year Out-of-Pocket Maximum** | | | | | | |
| Individual | $2,500 | $5,000 | $3,000 | $6,000 | $3,900 | $10,400 |
| Family | $5,000 | $10,000 | $6,000 | $12,000 | $7,800 | $20,800 |
| **Physician Services** | | | | | | |
| Office visits | $20 copay | 40% after ded. | $15 copay | 30% after ded. | 0% after ded. | 20% after ded. |
| Specialist visits | $20 copay | 40% after ded. | $15 copay | 30% after ded. | 0% after ded. | 20% after ded. |
| Urgent care | $50 copay | 40% after ded. | $50 copay | 30% after ded. | 0% after ded. | 20% after ded. |
| **Preventive Care** | | | | | | |
| Routine physical exams | No copay | Not covered | No copay | Not covered | No copay | Not covered |
| Immunizations | No copay | Not covered | No copay | Not covered | No copay | Not covered |
| Well-woman exams | No copay | Not covered | No copay | Not covered | No copay | Not covered |
| **Hospital** | | | | | | |
| Inpatient hospital services | 20% after ded. | 40% after ded. | 10% after ded. | 30% after ded. | 0% after ded. | 20% after ded. |
| **Emergency** | | | | | | |
| Hospital emergency room | $100 copay | $100 copay | $100 copay | $100 copay | 0% after ded. | 0% after ded.* |
| **Other Medical Services** | | | | | | |
| Laboratory and x-ray services | No copay | 40% after ded. | No copay | 30% after ded. | 0% after ded. | 20% after ded. |
| Imaging (MRI, CAT, PET scans) | 20% after ded. | 40% after ded. | 10% after ded. | 30% after ded. | 0% after ded. | 20% after ded. |
| **Prescription Drugs (Retail) – Up to a 31 Day Supply** | | | | | | |
| Tier 1 | $10 copay | $10 copay | $10 copay | $10 copay | $10 copay after ded. | $10 copay after ded. |
| Tier 2 | $30 copay | $30 copay | $30 copay | $30 copay | $30 copay after ded. | $30 copay after ded. |
| Tier 3 | $50 copay | $50 copay | $50 copay | $50 copay | $50 copay after ded. | $50 copay after ded. |
| **Prescription Drugs (Mail Order) – Up to a 90 Day Supply** | | | | | | |
| Tier 1 | $25 copay | Not covered | $25 copay | Not covered | $25 copay after ded. | Not covered |
| Tier 2 | $75 copay | Not covered | $75 copay | Not covered | $75 copay after ded. | Not covered |
| Tier 3 | $125 copay | Not covered | $125 copay | Not covered | $125 copay after ded. | Not covered |

** In-Network deductible applies.*

*The PPO and HDHP HSA plans have embedded deductibles and out-of-pocket maximums.*

*This summary is provided for general information only. It does not provide coverage details, exclusions or limitations. Refer to the plan documents for complete exclusions, limitations and plan provisions.*

# *Medical*

**Summary of Benefits and Coverage**
The Patient Protection and Affordable Care Act (also known as Health Care Reform) requires that you receive a Summary of Benefits and Coverage (SBC). The SBC is designed to help you understand and evaluate your health plan choices. You can download the SBC from the HR/Benefits website or contact HR/Benefits and request a copy be sent to you.

| Medical Plans (UnitedHealthcare) | | | | | |
|---|---|---|---|---|---|
| Option 4 | | Option 5 | | Option 6 | |
| HDHP HSA Plan 552 | | HMO Value Network Plan UM4/3IF | | HMO Full Network Plan U90/3IF | |
| In-Network | Out-of-Network | In-Network | Out-of-Network | In-Network | Out-of-Network |
| You Pay | You Pay | You Pay | You Pay | You Pay | You Pay |
| $3,000<br>$6,000 | $5,000<br>$10,000 | $0<br>$0 | Not covered<br>Not covered | $0<br>$0 | Not covered<br>Not covered |
| $4,000<br>$8,000 | $6,000<br>$12,000 | $1,500<br>$3,000 | Not covered<br>Not covered | $1,500<br>$3,000 | Not covered<br>Not covered |
| 0% after ded.<br>0% after ded.<br>0% after ded. | 20% after ded.<br>20% after ded.<br>20% after ded. | $20 copay<br>$20 copay<br>$20 copay | Not covered<br>Not covered<br>$75 copay | $20 copay<br>$20 copay<br>$20 copay | Not covered<br>Not covered<br>$75 copay |
| No copay<br>No copay<br>No copay | Not covered<br>Not covered<br>Not covered | No copay<br>No copay<br>No copay | Not covered<br>Not covered<br>Not covered | No copay<br>No copay<br>No copay | Not covered<br>Not covered<br>Not covered |
| 0% after ded. | 20% after ded. | No copay | Not covered | No copay | Not covered |
| 0% after ded. | 0% after ded.* | $150 copay | $150 copay | $150 copay | $150 copay |
| 0% after ded.<br>0% after ded. | 20% after ded.<br>20% after ded. | No charge<br>$100 copay | Not covered<br>Not covered | No charge<br>$100 copay | Not covered<br>Not covered |
| $10 copay after ded.<br>$30 copay after ded.<br>$50 copay after ded. | $10 copay after ded.<br>$30 copay after ded.<br>$50 copay after ded. | $10 copay<br>$25 copay<br>$50 copay | Not covered<br>Not covered<br>Not covered | $10 copay<br>$25 copay<br>$50 copay | Not covered<br>Not covered<br>Not covered |
| $25 copay after ded.<br>$75 copay after ded.<br>$125 copay after ded. | Not covered<br>Not covered<br>Not covered | $20 copay<br>$50 copay<br>$100 copay | Not covered<br>Not covered<br>Not covered | $20 copay<br>$50 copay<br>$100 copay | Not covered<br>Not covered<br>Not covered |

## Dental Plans

The following chart summarizes the key features of the dental plans for the 2018 plan year.

Refer to *"2018 Monthly COBRA Rates"* on page 3 for the applicable cost.

| Dental Plans (Guardian) | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Key Features** | **Option 1** | | **Option 2** | | **Option 3** | | **Option 4** |
| | **PPO Low Plan** | | **PPO Medium Plan** | | **PPO High Plan** | | **DHMO Plan** |
| | **In-Network** | **Out-of-Network**** | **In-Network** | **Out-of-Network**** | **In-Network** | **Out-of-Network**** | **In-Network Only** |
| | **You Pay** | | **You Pay** | | **You Pay** | | **You Pay** |
| **Calendar Year Deductible (ded.)** | | | | | | | |
| Individual | $50 | | $50 | | $50 | | None |
| Family | $150 | | $150 | | $150 | | None |
| | **Plan Pays** | | **Plan Pays** | | **Plan Pays** | | **Plan Pays** |
| **Calendar Year Maximum Benefits (per person, excluding orthodontia)** | $1,000 | | $1,250 | | $1,500 plus maximum rollover*** | | No maximum |
| **Lifetime Orthodontia Maximum** | Not Covered | | $1,000 | | $1,250 | | No maximum |
| **Diagnostic and Preventive** | | | | | | | |
| Oral exams (once/6 mos); Cleanings (once/6 mos); Fluoride treatments (once/6 mos, up to age 14) | 100%* | 100%* | 100%* | 100%* | 100%* | 100%* | $5 office copay plus any copays applicable to specific procedures |
| **Basic Services** | | | | | | | |
| X-rays; Fillings; Simple extractions; Sealants (up to age 16, once/30 mos); Space maintainers | 80% after ded. | 80% after ded. | 80% after ded. | 80% after ded. | 90% after ded. | 90% after ded. | $5 office copay plus any copays applicable to specific procedures |
| **Major Restorative Services** | | | | | | | |
| Bridges & dentures; Endodontic services; Single crowns; Complex extractions; Crown, bridge & denture repair; General anesthesia; Perio maintenance (once/6mos); Combined cleanings/Perio maintenance (twice/12 mos); Periodontal surgery; Inlays, onlays & veneers | Not covered | Not covered | 50% after ded. | 50% after ded. | 60% after ded. | 60% after ded. | $5 office copay plus any copays applicable to specific procedures |
| **Orthodontia** | Not covered | Not covered | 50%* (children only) | 50%* (children only) | 50%* (children and adults) | 50%* (children and adults) | Varies by schedule |

* *Deductible waived.*

** *Out-of-Network claims are reimbursed at the maximum allowable charge as determined by Guardian. Using out-of-network providers may result in you being balance-billed by the provider.*

*** *You may be eligible to rollover unused benefit dollars each year you are continuously enrolled under this plan. Contact Guardian for more information.*

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# Vision

## Vision Plan

The following chart summarizes the key features of the vision plan for the 2018 plan year.

Refer to *"2018 Monthly COBRA Rates"* on page 3 for the applicable cost.

| Vision Plans (Guardian) | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Key Features | Option 1 | | Option 2 | | Option 3 | | Option 4 | |
| | Exam Plus Allowance | | Exam Plus Allowance | | Full Feature | | Full Feature | |
| | Davis Network | | VSP Network | | Davis Network | | VSP Network | |
| | In-Network | Out-of-Network | In-Network | Out-of-Network | In-Network | Out-of-Network | In-Network | Out-of-Network |
| | You Pay | | You Pay | | You Pay | | You Pay | |
| **Exam Copay** | $0 | | $0 | | $10 | | $10 | |
| **Materials Copay** | $0 | | $0 | | $25 | | $25 | |
| | Plan Pays | | Plan Pays | | Plan Pays | | Plan Pays | |
| **Frequency** | Exam: Every 12 months<br>Materials: Every 12 months | | Exam: Every 12 months<br>Materials: Every 12 months | | Exam: Every 12 months<br>Lenses: Every 12 months<br>Frames: Every 24 months | | Exam: Every 12 months<br>Lenses: Every 12 months<br>Frames: Every 24 months | |
| **Exams** | 100% | Up to $46 | 100% | Up to $39 | 100% | Up to $50 | 100% | Up to $39 |
| **Lenses** | | | | | | | | |
| Single | Up to $50 allowance on frames and lenses | | Up to $50 allowance on frames and lenses | | 100% | Up to $48 | 100% | Up to $23 |
| Bifocal | | | | | 100% | Up to $67 | 100% | Up to $37 |
| Trifocal | | | | | 100% | Up to $86 | 100% | Up to $49 |
| Lenticular | | | | | 100% | Up to $126 | 100% | Up to $64 |
| Medically Necessary | | | | | 100% | Up to $210 | 100%; after $25 copay | Up to $210 |
| Elective | | | | | Up to $130 | Up to $105 | Up to $130 | Up to $100 |
| Frame Benefit | | | | | Up to $130 then 20% discount | Up to $48 | Up to $130 then 20% discount | Up to $46 |

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# *Flexible Spending Account*

## Health Care Flexible Spending Account Plan

If you are enrolled in the health care flexible spending account (FSA) plan and your coverage ends due to a COBRA qualifying event, you may be eligible for a limited period of continuation coverage under COBRA. Under COBRA, your contributions will be on an after-tax basis.

- If you do not continue your FSA participation under COBRA, you may only file claims for eligible expenses incurred before your coverage ends.
- If you continue your health care FSA plan participation under COBRA, your COBRA continuation coverage ends on the later of:
  - The last date for which you make the required after-tax contribution, or
  - The end of the year in which your coverage as an employee ends.

Your health care FSA card is automatically deactivated when your coverage terminates even if you continue coverage under COBRA. Contact Benefit Concepts to obtain claim forms. All claims must be submitted before March 31 of the following year. If you have an account balance that exceeds expenses incurred before your coverage terminated, your balance will be forfeited.

For health care FSA questions, contact Benefit Concepts.

# Legal Notices

## HIPAA Special Enrollment Rights

You have special enrollment rights if you acquire a new dependent, or if you decline coverage under your employer's health plan for yourself or an eligible dependent while other coverage is in effect and later lose that other coverage for certain qualifying reasons.

**Loss of Other Coverage (Excluding Medicaid or a State Children's Health Insurance Program).** If you decline enrollment for yourself or for an eligible dependent (including your spouse/domestic partner) while other health insurance or group health plan coverage is in effect, you may be able to enroll yourself and your dependents in your employer's plan if you or your dependents lose eligibility for that other coverage (or if the employer stops contributing toward your or your dependents' other coverage). However, you must request enrollment within 30 days after your or your dependents' other coverage ends (or after the employer stops contributing toward the other coverage).

**Loss of Coverage for Medicaid or a State Children's Health Insurance Program.** If you decline enrollment for yourself or for an eligible dependent (including your spouse/domestic partner) while Medicaid coverage or coverage under a state children's health insurance program is in effect, you may be able to enroll yourself and your dependents in your employer's plan if you or your dependents lose eligibility for that other coverage. However, you must request enrollment within 60 days after your or your dependents' coverage ends under Medicaid or a state children's health insurance program.

**New Dependent by Marriage, Birth, Adoption or Placement for Adoption.** If you have a new dependent as a result of marriage, birth, adoption or placement for adoption, you may be able to enroll yourself and your new dependents in your employer's plan. However, you must request enrollment within 30 days after the marriage, birth, adoption or placement for adoption.

**Eligibility for Medicaid or a State Children's Health Insurance Program.** If you or your dependents (including your spouse) become eligible for a state premium assistance subsidy from Medicaid or through a state children's health insurance program with respect to coverage under your employer's plan, you may be able to enroll yourself and your dependents in the plan. However, you must request enrollment within 60 days after your or your dependents' determination of eligibility for such assistance.

## HIPAA Privacy Notice

Your employer is committed to protecting the privacy and security of participants' health information and has undertaken efforts to comply with all applicable laws and regulations intended to protect the privacy and security of such information, including the privacy regulations of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), as amended. If you have questions regarding the plan's privacy policies and procedures, please contact HR/Benefits.

The plan's privacy practices may be changed any time at the plan administrator's sole discretion. If any material revision is made to the plan's Notice of Privacy Practices, the revised notice will be distributed in accordance with applicable law.

## Genetic Information Nondiscrimination Act

Congress passed the Genetic Information Nondiscrimination Act (GINA) establishing a national and uniform standard to protect workers from genetic discrimination. In addition to prohibitions on discrimination in employment practices, GINA prohibits group health insurers and group health plans from adjusting premiums or contributions based on genetic information. Also, GINA amended the HIPAA privacy rules to include genetic information in the definition of protected health information.

## Notice Under the Women's Health and Cancer Rights Act

If you have had or are going to have a mastectomy, you may be entitled to certain benefits under the Women's Health and Cancer Rights Act of 1998 (WHCRA). For individuals receiving mastectomy-related benefits, coverage will be provided in a manner determined in consultation with the attending physician and the patient for:

- All stages of reconstruction of the breast on which the mastectomy was performed.
- Surgery and reconstruction of the other breast to produce a symmetrical appearance.
- Prostheses.
- Treatment of physical complications of the mastectomy, including lymphedema.

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.

## Important Notice About 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 available under the medical plans offered by your employer 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:

- 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.
- Your employer has determined that the prescription drug coverage offered under your employer's medical plans 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 through 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?

If you decide to join a Medicare drug plan, your current medical coverage will not be affected. When your current medical plan coordinates benefits with Medicare, the combined benefits from Medicare and your current medical coverage will equal, but not exceed, what your current plan would have paid if you were not eligible to receive Medicare.

If you do decide to join a Medicare drug plan and drop your current coverage, be aware that you and your dependents will not be able to get this coverage back until January 1 following the next Annual Enrollment period.

### 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 your employer 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 October to join.

**For more information about this notice or your current prescription drug coverage, contact the person listed below.** 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 your employer changes. You also may request a copy of this notice at any time.

More information about your options under Medicare prescription drug coverage and 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 ***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 800.633.4227 (Medicare). TTY users should call 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 ***socialsecurity.gov***, or call them at 800.772.1213; TTY 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: | October 15, 2017 |
| Name of Entity/Sender: | Eagle Business Performance Services, LLC<br>Pioneer Medical Group, Inc.<br>Preferred Diagnostic Imaging, LLC |
| Contact-Position/Office: | HR/Benefits |
| Address: | 17777 Center Court Drive<br>Suite 400<br>Cerritos, CA 90703 |
| Phone Number: | 562.229.9452 ext 1068 |

## Continuation of Health Coverage

The Consolidated Omnibus Budget Reconciliation Act (COBRA) gives workers and their families who lose their health benefits the right to choose to continue group health benefits provided by their group health plan for limited periods of time under certain circumstances such as voluntary or involuntary job loss, reduction in the hours worked, transition between jobs, death, divorce, and other life events. Qualified individuals may be required to pay the entire premium for coverage up to 102 percent of the cost to the plan.

COBRA generally requires that group health plans sponsored by employers with 20 or more employees in the prior year offer employees and their families the opportunity for a temporary extension of health coverage (called continuation coverage) in certain instances where coverage under the plan would otherwise end. This coverage, however, is only available when coverage is lost due to certain specific events ("qualifying events") that would cause an individual to lose health coverage. The type of qualifying event will determine who the qualified beneficiaries are and the amount of time that a plan must offer the health coverage to them under COBRA.

Plans must give covered individuals an initial general notice informing them of their rights under COBRA and describing the law. The law also obliges plan administrators, employers, and qualified beneficiaries to provide notice of certain "qualifying events". In most instances of voluntary or involuntary job loss, reduction in the hours worked, transition between jobs, death, divorce, and other life events, the employer must provide a specific notice to the COBRA administrator. The COBRA administrator must then advise the qualified beneficiaries of the opportunity to elect continuation coverage.

If you have any questions regarding continuation of health coverage, please contact HR/Benefits.

## Health Insurance Marketplace Coverage Options and Your Health Coverage

There is a new way to buy health insurance: the Health Insurance Marketplace. To assist you as you evaluate options for you and your family, this notice provides some basic information about the new Marketplace and employment-based health coverage offered by your employer.

**What Is the Health Insurance Marketplace?**
The Marketplace is designed to help you find health insurance that meets your needs and fits your budget. The Marketplace offers "one-stop shopping" to find and compare private health insurance options. You may also be eligible for a new kind of tax credit that lowers your monthly premium right away.

**Can I Save Money on My Health Insurance Premiums in the Marketplace?**
You may qualify to save money and lower your monthly premium, but only if your employer does not offer coverage, or offers coverage that doesn't meet certain standards. The savings on your premium that you're eligible for depends on your household income.

**Does Employer Health Coverage Affect Eligibility for Premium Savings through the Marketplace?**
Yes. If you have an offer of health coverage from your employer that meets certain standards, you will not be eligible for a tax credit through the Marketplace and may wish to enroll in your employer's health plan. However, you may be eligible for a tax credit that lowers your monthly premium or a reduction in certain cost-sharing if your employer does not offer coverage to you at all, or does not offer coverage that meets certain standards. Your employer's health plan does meet the standards

**Note:** If you purchase a health plan through the Marketplace instead of accepting health coverage offered by your employer, then you may lose the employer contribution (if any) to the employer-offered coverage. Also, this employer contribution — as well as your employee contribution to employer-offered coverage — is often excluded from income for Federal and State income tax purposes. Your payments for coverage through the Marketplace are made on an after-tax basis.

The Marketplace can help you evaluate your coverage options, including your eligibility for coverage through the Marketplace and its costs. Please visit ***healthcare.gov*** for more information, including an online application for health insurance coverage and contact information for a Health Insurance Marketplace in your area.

### What This Means For You

- Our plans are affordable. You'll hear about new coverage options available in the Health Insurance Marketplace, but in most cases, your employer's coverage will continue to provide the greatest value. And because our plans exceed the federally required "minimum value standards," it is unlikely that employees will be eligible for federal subsidies.
- We'll keep you updated. As we get updates, we'll provide resources and support to help you understand the impact of health care reform and to feel confident about your personal coverage decisions.

### Questions?

Call ***800.318.2596***; TTY **855.889.4325**
or visit ***healthcare.gov***.

## Premium Assistance Under Medicaid and the Children's Health Insurance Program (CHIP)

If you or your children are eligible for Medicaid or 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 ***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, dial 877.KIDS.NOW (543.7669) or visit ***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 ***askebsa.dol.gov*** or call 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 August 10, 2017. Contact your state for more information on eligibility.

**Alabama – Medicaid**
Website: http://myalhipp.com
Phone: 855.692.5447

**Alaska – Medicaid**
The AK Health Insurance Premium Payment Program
Website: http://myakhipp.com
Phone: 866.251.4861
Email: CustomerService@MyAKHIPP.com
Medicaid Eligibility: http://dhss.alaska.gov/dpa/Pages/medicaid/default.aspx

**Arkansas – Medicaid**
Website: http://myarhipp.com
Phone: 855.MyARHIPP (855.692.7447)

**Colorado – Medicaid**
Medicaid Website: www.colorado.gov/hcpf
Medicaid Customer Contact Center: 800.221.3943

**Florida – Medicaid**
Website: http://flmedicaidtplrecovery.com/hipp
Phone: 877.357.3268

**Georgia – Medicaid**
Website: http://dch.georgia.gov/medicaid
Click on Health Insurance Premium Payment (HIPP)
Phone: 404.656.4507

**Indiana – Medicaid**
Healthy Indiana Plan for low-income adults 19-64
Website: www.hip.in.gov
Phone: 877.438.4479
All other Medicaid
Website: www.indianamedicaid.com
Phone: 800.403.0864

**Iowa – Medicaid**
Website: www.dhs.state.ia.us/hipp
Phone: 888.346.9562

**Kansas – Medicaid**
Website: www.kdheks.gov/hcf
Phone: 785.296.3512

**Kentucky – Medicaid**
Website: http://chfs.ky.gov/dms/default.htm
Phone: 800.635.2570

**Louisiana – Medicaid**
Website: http://dhh.louisiana.gov/index.cfm/subhome/1/n/331
Phone: 888.695.2447

**Maine – Medicaid**
Website: www.maine.gov/dhhs/ofi/public-assistance/index.html
Phone: 800.442.6003
TTY: Maine relay 711

**Massachusetts – Medicaid and CHIP**
Website: www.mass.gov/MassHealth
Phone: 800.462.1120

**Minnesota – Medicaid**
Website: http://mn.gov/dhs/ma
Phone: 800.657.3739

**Missouri – Medicaid**
Website: www.dss.mo.gov/mhd/participants/pages/hipp.htm
Phone: 573.751.2005

**Montana – Medicaid**
Website: http://dphhs.mt.gov/MontanaHealthcarePrograms/HIPP
Phone: 800.694.3084

**Nebraska – Medicaid**
Website: http://dhhs.ne.gov/Children_Family_Services/AccessNebraska/Pages/accessnebraska_index.aspx
Phone: 855.632.7633

**Nevada – Medicaid**
Medicaid Website: http://dwss.nv.gov
Medicaid Phone: 800.992.0900

# Legal Notices

**New Hampshire – Medicaid**
Website: www.dhhs.nh.gov/oii/documents/hippapp.pdf
Phone: 603.271.5218

**New Jersey – Medicaid and CHIP**
Medicaid Website: www.state.nj.us/humanservices/dmahs/clients/medicaid
Medicaid Phone: 609.631.2392
CHIP Website: www.njfamilycare.org/index.html
CHIP Phone: 800.701.0710

**New York – Medicaid**
Website: www.nyhealth.gov/health_care/medicaid
Phone: 800.541.2831

**North Carolina – Medicaid**
Website: www.ncdhhs.gov/dma
Phone: 919.855.4100

**North Dakota – Medicaid**
Website: www.nd.gov/dhs/services/medicalserv/medicaid
Phone: 844.854.4825

**Oklahoma – Medicaid and CHIP**
Website: http://www.insureoklahoma.org
Phone: 888.365.3742

**Oregon – Medicaid**
Website: http://healthcare.oregon.gov/Pages/index.aspx
www.oregonhealthcare.gov/index-es.html
Phone: 800.699.9075

**Pennsylvania – Medicaid**
Website: www.dhs.pa.gov/hipp
Phone: 800.692.7462

**Rhode Island – Medicaid**
Website: www.eohhs.ri.gov
Phone: 401.462.5300

**South Carolina – Medicaid**
Website: www.scdhhs.gov
Phone: 888.549.0820

**South Dakota - Medicaid**
Website: http://dss.sd.gov
Phone: 888.828.0059

**Texas – Medicaid**
Website: http://gethipptexas.com
Phone: 800.440.0493

**Utah – Medicaid and CHIP**
Medicaid Website: http://health.utah.gov/medicaid
CHIP Website: http://health.utah.gov/chip
Phone: 877.543.7669

**Vermont– Medicaid**
Website: www.greenmountaincare.org
Phone: 800.250.8427

**Virginia – Medicaid and CHIP**
Medicaid Website: www.coverva.org/programs_premium_assistance.cfm
Medicaid Phone: 800.432.5924
CHIP Website: www.coverva.org/programs_premium_assistance.cfm
CHIP Phone: 855.242.8282

**Washington – Medicaid**
Website: www.hca.wa.gov/free-or-low-cost-health-care/program-administration/premium-payment-program
Phone: 800.562.3022 ext. 15473

**West Virginia – Medicaid**
Website: www.dhhr.wv.gov/bms/Medicaid%20Expansion/Pages/default.aspx
Phone: 877.598.5820, HMS Third Party Liability

**Wisconsin – Medicaid and CHIP**
Website: www.dhs.wisconsin.gov/publications/p1/p10095.pdf
Phone: 800.362.3002

**Wyoming – Medicaid**
Website: https://wyequalitycare.acs-inc.com
Phone: 307.777.7531

To see if any other states have added a premium assistance program since August 10, 2017, or for more information on special enrollment rights, contact either:

U.S. Department of Labor
Employee Benefits Security Administration
***dol.gov/agencies/ebsa***
866.444.EBSA (3272)

U.S. Department of Health and Human Services
Centers for Medicare & Medicaid Services
***cms.hhs.gov***
877.267.2323, Menu Option 4, Ext. 61565

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