



Your benefits.
Your choice.

SANFORD[®]
HEALTH

Sanford's Private Exchange

OVERVIEW

- Sanford's Private Exchange is how we provide insurance to our employees
- Sanford's Private Exchange is self-funded:
 - The cost of covered services for all employees is shared between Sanford and employees of the exchange
 - Premiums are funded two ways:
 - Employees pay a portion based on coverage level
 - Sanford contributes a set "voucher" amount, also based on coverage level
- Allows you to choose your coverage tier (single, employee +1 or family) and your deductible and out-of-pocket maximum
- Your premium and the amount you pay per pay period is based on which coverage level you choose

NEW FOR 2016

- **PHARMACY COVERAGE**
- **SANFORD PROVIDER NETWORK**
- **LAST YEAR OF EMPLOYEE +1 COVERAGE**
- **OVERALL, SANFORD GROUP HEALTH PREMIUMS ARE INCREASING LESS THAN 3%**

Sanford's Private Exchange

UNDERSTANDING THE LANGUAGE

- **What is a co-pay?** A fixed amount that you pay for an office visit, a prescription drug or an emergency room visit.
- **What is a deductible?** The cost of covered services that you pay at 100%.
- **What is co-insurance?** After the deductible limit has been met, you pay 20% of the cost of covered services while Sanford pays the remaining 80%.
- **What is the out-of-pocket maximum?** If the amount you've paid for your deductible, co-pay and co-insurance amounts reach the out-of-pocket maximum, Sanford pays 100% of the cost of covered services for the remainder of the plan year.

New for 2016

PHARMACY COVERAGE

First increase in Sanford's generic drug co-pay in 10 years.

- Due to dramatic increase in cost of generic drugs caused by:
 - Shortage of raw materials
 - Gaps in production
 - Drug companies increasing prices in reaction to new governmental regulations (i.e. Affordable Care Act)

New for 2016

PHARMACY COVERAGE

- Introducing two-tier generic drug co-pay.

Retail cost less than \$75: Co-pay = \$12

Retail cost \$75 or greater: Co-pay = \$30

- Co-pay for brand name formulary drugs will be \$50
- Co-pay for brand name non-formulary drugs will be \$100

New for 2016

SANFORD PROVIDER NETWORK

The Sanford Provider Network is a network of Sanford Health Providers designed exclusively for our employees.

The value of the Sanford Provider Network:

- Ensures you receive care from trusted providers committed to the highest standards of quality
- Ensures you receive care from providers committed to improving outcomes
- Offers seamless and efficient experience:
 - Regardless of where you access care in The Sanford Provider Network, your health care team is connected to your medical records through Epic/My Sanford Chart.

New for 2016

SANFORD PROVIDER NETWORK

- Out-of-network providers will not be covered.
- If this change impacts you, we will help you transition to a Sanford provider.
- Some exceptions exist, in the event you require care from a specialist not found within Sanford's Provider Network.



Emergency care is treated as in-network regardless of where you receive treatment

Sanford's Private Exchange

CO-PAYS - ALL LEVELS

Office Visit Co-Pay – Sanford Providers	\$20
Office Visit Co-Pay – In-Network Non-Sanford Providers	\$50
Office Visit Co-Pay - Chiropractors	\$40
Emergency Room Co-Pay	\$300
Participating Pharmacy Co-Pays	\$12 / \$30 / \$50 / \$100
Co-Insurance	80% / 20%
Out-of-Network Coverage	No Coverage

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PLAN DESIGN – SINGLE COVERAGE

Health Insurance Exchange Options	2016 Deductibles	2016 Out-of-Pocket Maximum
Gold	\$1,250	\$3,750
Silver	\$2,250	\$6,000
Bronze	\$3,250	\$6,850

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PLAN DESIGN – EMPLOYEE +1* & FAMILY COVERAGE

Health Insurance Exchange Options	2016 Deductibles	2016 Out-of-Pocket Maximum
Gold	\$2,500	\$7,500
Silver	\$4,500	\$12,000
Bronze	\$6,500	\$13,700

** This is the last year for Employee + 1 coverage*

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WHAT SANFORD AND YOU PAY FOR YOUR COVERAGE - SINGLE

Annual Health Insurance Premium	Sanford Voucher	Employee Contribution		
		GOLD	SILVER	BRONZE
Single Full-Time	\$5,772	\$1,404	\$864	\$708
Single Part-Time	\$3,828	\$3,348	\$2,808	\$2,652

Per Pay Period Health Insurance Premium	Sanford Voucher	Employee Contribution		
		GOLD	SILVER	BRONZE
Single Full-Time	\$240.50	\$58.50	\$36.00	\$29.50
Single Part-Time	\$159.50	\$139.50	\$117.00	\$110.50

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WHAT SANFORD AND YOU PAY FOR YOUR COVERAGE - EMPLOYEE +1

Annual Health Insurance Premium	Sanford Voucher	Employee Contribution		
		GOLD	SILVER	BRONZE
Employee +1 Full-Time	\$8,016	\$3,360	\$2,484	\$2,232
Employee +1 Part-Time	\$5,520	\$5,856	\$4,980	\$4,728

Per Pay Period Health Insurance Premium	Sanford Voucher	Employee Contribution		
		GOLD	SILVER	BRONZE
Employee +1 Full-Time	\$334.00	\$140.00	\$103.50	\$93.00
Employee +1 Part-Time	\$230.00	\$244.00	\$207.50	\$197.00

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WHAT SANFORD AND YOU PAY FOR YOUR COVERAGE - FAMILY

Annual Health Insurance Premium	Sanford Voucher	Employee Contribution		
		GOLD	SILVER	BRONZE
Family Full-Time	\$13,380	\$5,316	\$3,900	\$3,540
Family Part-Time	\$9,840	\$8,856	\$7,440	\$7,080

Per Pay Period Health Insurance Premium	Sanford Voucher	Employee Contribution		
		GOLD	SILVER	BRONZE
Family Full-Time	\$557.50	\$221.50	\$162.50	\$147.50
Family Part-Time	\$410.00	\$369.00	\$310.00	\$295.00

Things To Consider When Choosing Which Plan Is Best For You

- Who do you want to cover? You or you and your family?
- How often do you and/or your family members go to the doctor in a year?
- How many prescriptions do you and/or your family members have each month?
- How much do you pay each year for medical expenses?



If enrolled in Sanford Health Plan, your out-of-pocket expenses for calendar year 2014 and January 1, 2015 – September 30, 2015 will be available to you through the benefits online enrollment platform.

Are you willing to pay a higher per pay period premium in exchange for a lower deductible plan?

Health Insurance	Deductible	Out-of-Pocket Maximum	Per-Pay Period Contribution (Full-time Employee)
Gold Single Coverage	\$1,250	\$3,750	\$58.50
Bronze Single Coverage	\$3,250	\$6,850	\$29.50

- In the Gold plan, the premium is higher than other plans but the deductible is lower.
- If you visit a provider or receive health care frequently on the Gold plan, you will likely meet your deductible sooner than on other plans, receiving 80% / 20% coverage thereafter.
- On the Gold plan, you ultimately pay less out-of-pocket for your care.

Are you willing to pay a lower per pay period premium in exchange for a higher deductible?

Health Insurance	Deductible	Out-of-Pocket Maximum	Per-Pay Period Contribution (Full-time Employee)
Gold Single Coverage	\$1,250	\$3,750	\$58.50
Bronze Single Coverage	\$3,250	\$6,850	\$29.50

- In the Bronze plan, the cost of the premium is less than the Gold plan but the deductible is higher.
- If you do not visit a provider or receive health care frequently, the high deductible may not be a concern. However, if you are diagnosed with a serious medical condition, you will be responsible to pay 100% of your deductible before services are covered 80% / 20%.

Things To Consider When Choosing Which Plan Is Best For You

Do you reach your annual deductible?

- **85%** of members **DID NOT** meet their deductible in 2014.

Do you reach your out-of-pocket maximum?

- **95%** of members **DID NOT** meet their out-of-pocket maximum in 2014.



HEALTH REIMBURSEMENT ACCOUNT (HRA)

- HRA reimburses employees for out-of-pocket medical expenses.
- To be eligible for the HRA, complete an online Annual Health Assessment and authorize it to be shared with your primary care provider.
- You may receive a follow-up call from a Health Coach in your clinic after review of your assessment.

Amount you will receive:

Gold – \$150

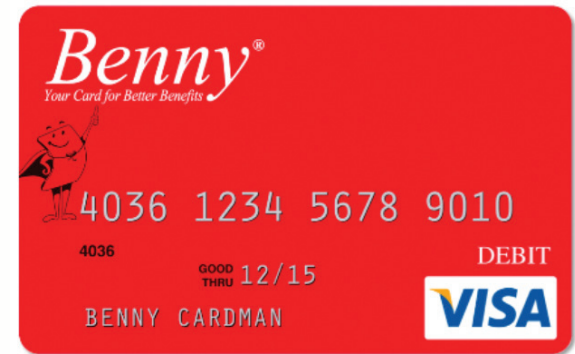
Silver – \$250

Bronze – \$350

Must be completed by: November 25, 2015 for existing members or February 29, 2016 for new members

HEALTH REIMBURSEMENT ACCOUNT

- Sanford's HRA is prepaid to employees on a red "Benny" visa debit card and dollars can be used to pay out-of-pocket medical expenses, including:
 - Deductible
 - Co-Insurance
 - Co-Pays



If you received a debit card in 2014/2015 your 2016 dollars will be loaded onto your existing card

VISION INSURANCE

- Sanford is consolidating to one vision plan provider – Vision Services Plan (VSP)
- VSP offers a \$10 eye exam, \$175 frame allowance and other additional benefits

Tier	Employee Premium Per Pay Period
Single	\$3.29
Employee + 1*	\$6.57
Family	\$10.58

** This is the last year for Employee + 1 coverage*

DENTAL INSURANCE

- Sanford has a self-funded dental plan
- There will be no premium increases in 2016

DENTAL INSURANCE	Employee Premium Per Pay Period	
Tier	Premier	Standard
Single Full-Time	\$10.50	\$4.50
Single Part-Time	\$14.25	\$8.25
Family Full-Time	\$36.50	\$19.50
Family Part-Time	\$44.00	\$27.00

SANFORD 401K RETIREMENT PLAN MATCH SCHEDULE

2015

On a per pay period basis, Sanford matches 100% on your first 2% and 50% on your next 4%. Once you have completed 12 months and 1,000 hours you are eligible for the Sanford annual 1% discretionary contribution.

If you are contributing 6% or more on a per pay period basis, Sanford's per pay period match plus the 1% annual discretionary contribution totals 5%.

Employee Deferral	Employer Match
1%	1%
2%	2%
3%	2.5%
4%	3%
5%	3.5%
6%	4%

You are always 100% vested in the amount you contribute and the amount Sanford contributes on a per pay period basis. There is a 2 year vesting schedule on Sanford's annual 1% discretionary contribution.

2016

Effective January 1, 2016 Sanford will move the annual 1% discretionary contribution and add it to the per pay period match.

If you are contributing 6% or more on a per pay period basis, Sanford's per pay period match totals 5%.

Employee Deferral	Employer Match
1%	1%
2%	2%
3%	3%
4%	4%
5%	4.5%
6%	5%

You are always 100% vested in the amount you contribute and the amount Sanford contributes.

On an annual basis Sanford will automatically re-enroll those not participating in the plan to a 3% contribution rate. Employees will have 30 days to opt out of the automatic re-enrollment.

SANFORD PTO ACCRUAL SCHEDULE

The PTO plan will include vacation, sick, personal holiday(s) and holidays. The PTO accrual schedule will begin with 23 days at date of hire to a maximum of 35 days at 35 years of service or more.

Years of Service	Hours/Days*	Accrual/Hours Paid
1	184 / 23	0.08846
3	208 / 26	0.10000
7	224 / 28	0.10769
10	240 / 30	0.11538
15	248 / 31	0.11923
20	256 / 32	0.12308
25	264 / 33	0.12692
30	272 / 34	0.13077
35	280 / 35	0.13462


**Based on 80 hours a pay period - full-time employee*

ADDITIONAL BENEFITS

At no cost to you, Sanford offers:

- Base Life Insurance
- Short Term Disability – New in 2016
- Long Term Disability

There are no changes to the following benefits:

- Voluntary Life Insurance
(employee, spouse and child(ren))
 - Accident Insurance
 - Cancer Insurance
 - Critical Illness Insurance
 - Universal Life Insurance
 - PrePaid Legal Services
 - Identity Theft Shield Plan
 - PTO Sell Back
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OPEN ENROLLMENT TIMELINE

Mon., October 12 – Wed., November 25

How to Make Benefit Changes

Benefits Enrollment Call Center: (877) 403-1591

Benefits Online Enrollment Platform (link found on Inside Sanford)

Go online to review all the benefits offered by Sanford

YOU MUST RE ENROLL in health insurance, vision insurance, flexible spending accounts and PTO Sell Back. All other benefits will automatically carry over from last year's elections.

Sanford Benefits Fairs

Tuesday, October 13 – Bismarck/Mandan

Thursday, October 14 – Thief River Falls

Tuesday, October 20 – Sheldon

Thursday, October 22 – Luverne

Tuesday, October 27 – Fargo

Wednesday, October 28 – Bemidji

Thursday, October 29 – Sioux Falls

Wednesday, November 4 – Aberdeen

THANK YOU
QUESTIONS?

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