

EMPLOYEE BENEFITS AT LAKEWOOD HEALTH SYSTEM (LHS)

Effective March 1, 2009

<u>Benefit</u>	<u>Status</u>	<u>Eligibility</u>	<u>Employee Receives</u>
<u>TIME OFF BENEFITS</u>			
Flex Time Off (FTO) (Includes holidays, discretionary days, vacation days and sick days)	*FT	As soon as employed	1 day for every 77 hours worked 0-60 months (0 – 5 years); 1 day for every 65 hours worked 61- 120 months (+5 – 10 years); 1 day for every 56 hours worked 121 – 240 months (+10 – 20 years); 1 day for every 50 hours worked 241 + months (+20 years).
	**PT		
			FTO buyouts in March, July and November as follows (if minimum FTO is taken):
			Up to 85 hours 0-10 years of service
			Up to 100 hours: 11-15 years of service
			Up to 115 hours: 16-20 years of service
			Up to 130 hours: 21-25 years of service
			Up to 145 hours: 26-30 years of service
			Up to 160 hours: Over 30 years of service
<p>Employees must carry a minimum balance of 24 FTO hours at all times. These hours may only be used as FTO sick. New employees must have a minimum balance of 24 FTO hours before they may use FTO. They may not reduce their balance below 24 hours unless it is for illness.</p> <p>Special buyouts of up to 80 hours annually may be granted with administration approval for departments not able to take time off. (Annual calendar year is January 1 – December 31).</p> <p>Annual Minimum Usage: FT – 100 hours; PT – 40 hours. Maximum carry over from one year to the next – 336 hours.</p> <p>Donation of FTO dollars to other employees with Operations and Planning approval. Employees may also buyout FTO at any time to pay on balances due on Lakewood Health System accounts. Limit is amount owed to Lakewood.</p> <p>NOTE: Payment for illness up to three consecutive days from FTO program. After three days, use extended illness account.</p>			
Extended Illness	FT	As soon as employed	Earn 1 day for every 173 hours worked to a maximum of 20 days. Payment on fourth (4 th) consecutive day of illness up to a maximum of 20 days or number of days accumulated.
	PT		
Leave of Absence	FT	As soon as employed (with authorization)	Leaves available for parenting (maternity and paternity), medical, surgical, death or serious illness in family, military and school conference while maintaining position and salary. Eligibility requirements determine if the leave is paid or unpaid.
	PT		

RETIREMENT AND WELFARE BENEFIT PLANS

Health Insurance (Self-Insured)	FT	The 1st of the month after 1 full month of employment	Three plan options available for employee selection. Open enrollment annually in January.																				
BlueCross Blue Shield Aware Comprehensive Care Services provides claims administration			<table border="1"> <thead> <tr> <th></th> <th data-bbox="1073 188 1224 212"><u>Plan 1</u></th> <th data-bbox="1356 188 1434 212"><u>Plan 2</u></th> <th data-bbox="1671 188 1749 212"><u>Plan 3</u></th> </tr> <tr> <th></th> <th data-bbox="1010 220 1224 245">(\$500 deductible)</th> <th data-bbox="1283 220 1518 245">(\$1,000 deductible)</th> <th data-bbox="1598 220 1833 245">(\$2500 deductible)</th> </tr> </thead> <tbody> <tr> <td data-bbox="789 253 905 277">Employee</td> <td data-bbox="1010 253 1245 277">\$41.00/pay period</td> <td data-bbox="1314 253 1549 277">\$38.65/pay period</td> <td data-bbox="1629 253 1864 277">\$34.15/pay period</td> </tr> <tr> <td data-bbox="789 285 989 310">Employee + One</td> <td data-bbox="1010 285 1245 310">\$119.85/pay period</td> <td data-bbox="1314 285 1549 310">\$97.20/pay period</td> <td data-bbox="1629 285 1864 310">\$85.70/pay period</td> </tr> <tr> <td data-bbox="789 318 873 342">Family</td> <td data-bbox="1010 318 1245 342">\$149.20/pay period</td> <td data-bbox="1314 318 1549 342">\$101.60/pay period</td> <td data-bbox="1629 318 1864 342">\$88.95/pay period</td> </tr> </tbody> </table>		<u>Plan 1</u>	<u>Plan 2</u>	<u>Plan 3</u>		(\$500 deductible)	(\$1,000 deductible)	(\$2500 deductible)	Employee	\$41.00/pay period	\$38.65/pay period	\$34.15/pay period	Employee + One	\$119.85/pay period	\$97.20/pay period	\$85.70/pay period	Family	\$149.20/pay period	\$101.60/pay period	\$88.95/pay period
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	PT*	The 1st of the month after 1 full month of employment	<p>Three plan options available for employee selection: (For Part-time RNs, LPNs, and Technical Staff Only) *Must average 40 or more hours/pay period.</p> <table border="1"> <thead> <tr> <th></th> <th data-bbox="968 431 1266 456"><u>Plan 1 (\$500 deductible)</u></th> <th data-bbox="1293 431 1612 456"><u>Plan 2 (\$1,000 deductible)</u></th> <th data-bbox="1619 431 1917 456"><u>Plan 3(\$2500 deductible)</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="789 464 905 488">Employee</td> <td data-bbox="1010 464 1245 488">\$107.14/pay period</td> <td data-bbox="1335 464 1570 488">\$92.99/pay period</td> <td data-bbox="1650 464 1885 488">\$82.22/pay period</td> </tr> <tr> <td data-bbox="789 496 989 521">Employee + One</td> <td data-bbox="1010 496 1245 521">\$189.24/pay period</td> <td data-bbox="1335 496 1570 521">\$167.12/pay period</td> <td data-bbox="1650 496 1885 521">\$147.38/pay period</td> </tr> <tr> <td data-bbox="789 529 873 553">Family</td> <td data-bbox="1010 529 1245 553">\$219.04/pay period</td> <td data-bbox="1335 529 1570 553">\$174.69/pay period</td> <td data-bbox="1650 529 1885 553">\$152.96/pay period</td> </tr> </tbody> </table>		<u>Plan 1 (\$500 deductible)</u>	<u>Plan 2 (\$1,000 deductible)</u>	<u>Plan 3(\$2500 deductible)</u>	Employee	\$107.14/pay period	\$92.99/pay period	\$82.22/pay period	Employee + One	\$189.24/pay period	\$167.12/pay period	\$147.38/pay period	Family	\$219.04/pay period	\$174.69/pay period	\$152.96/pay period				
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Health Reimbursement Account		The 1 st of the month after 1 full month of employment	<p>You are eligible for HRA if you select Plan 2 or Plan 3. You will be entitled to have you and your covered dependent's qualifying medical expenses reimbursed. See summary plan description for more information.</p> <table border="1"> <thead> <tr> <th></th> <th data-bbox="1031 675 1115 699"><u>Plan 2</u></th> <th data-bbox="1346 675 1430 699"><u>Plan 3</u></th> </tr> </thead> <tbody> <tr> <td data-bbox="789 708 905 732">Employee</td> <td data-bbox="1031 708 1203 732">\$300 per year</td> <td data-bbox="1346 708 1518 732">\$900 per year</td> </tr> <tr> <td data-bbox="789 740 989 764">Employee +1/Family</td> <td data-bbox="1031 740 1203 764">\$600 per year</td> <td data-bbox="1346 740 1539 764">\$1,800 per year</td> </tr> </tbody> </table>		<u>Plan 2</u>	<u>Plan 3</u>	Employee	\$300 per year	\$900 per year	Employee +1/Family	\$600 per year	\$1,800 per year											
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Pharmacy Benefit	All	As soon as employed	<p>Acquisition cost plus a dispensing fee on prescriptions for employee and their immediate family. Comparative cost quotes available. LHS's BLUE CROSS/BLUE SHIELD Plan – <u>Using LHS's Pharmacy</u>: 31 day supply co-pays: \$15 for generic, \$20 for brand; 93 day supply co-pays: \$45 for generic, \$60 for brand. <u>Using an outside pharmacy</u>: \$200 deductible, then co-pays as follows: 31 day supply = \$25 for generic, \$30 for brand; 93 day supply = \$75 for generic, \$90 for brand.</p>																				
401(k) Plan	All	As soon as employed, age 21 or older	<p>Employee voluntary participation in the 401(k) pension plan available through LHS. LHS will match the employee's contribution up to 6% on an annual basis pending Board approval. Management fees are charged on your balance.</p>																				
		Employed 1 year with 1000 hours per year, age 21 or older.	<p>Per annual Board approval, at year end, LHS may contribute additional dollars to the 401(k) pension plan for eligible employees. Maximum annual employee contribution limit – \$16,500. Loan program options available with applicable loan fees. Maximum of 2 (two) loans of 50% of pension fund at 10% interest rate. To enroll in the plan, please contact Nate Wenner, Wipfli Hewins Investment Advisors nwenner@wipflihewins.com, 952.548.3404 or Megan Mevissen, mmevissen@wipflihewins.com, 952.548.3491</p>																				
Short and Long Term Disability	FT	1 year FT employment	<p>50% of gross salary after 30 calendar days disability for up to 60 calendar days; then 60% for employment length of disability.</p>																				
Term Life Insurance	FT PT	1 month after employed	<p>Employee pays premium on life insurance policy available through LHS. Premiums based on age and amount of coverage. Supplemental group term life insurance also available as well as spouse and child coverage. Open enrollment annually in December with January 1 effective date.</p>																				

Whole Life Insurance	FT PT	Specified Date	Employee pays premium. Offers employee life insurance protection, tax deferred cash accumulation, and cash value loan privileges.																		
Dental Insurance	FT PT	The 1 st of the month after 1 full month of employment	Employee pays premium at group rate. Plan is through Delta Dental. Coverage available for employee, employee + spouse, employee + child(ren) or employee + family. Open enrollment annually in December with January 1 effective date.																		
Dental / Optical Benefit	All	As soon as employed	Dental / Optical expenses reimbursement on employee and/or immediate family dental and/or optical bills incurred during each calendar year per following schedule: <table border="1" style="margin-left: 40px;"> <tr> <td>0-6 Months</td> <td>\$0</td> </tr> <tr> <td>7 Months - 5 Years</td> <td>\$200</td> </tr> <tr> <td>6 - 10 Years</td> <td>\$225</td> </tr> <tr> <td>11 - 15 Years</td> <td>\$250</td> </tr> <tr> <td>16 - 20 Years</td> <td>\$275</td> </tr> <tr> <td>21 - 25 Years</td> <td>\$300</td> </tr> <tr> <td>26 - 30 Years</td> <td>\$325</td> </tr> <tr> <td>31 - 35 Years</td> <td>\$350</td> </tr> <tr> <td>36 - 40 Years</td> <td>\$375</td> </tr> </table>	0-6 Months	\$0	7 Months - 5 Years	\$200	6 - 10 Years	\$225	11 - 15 Years	\$250	16 - 20 Years	\$275	21 - 25 Years	\$300	26 - 30 Years	\$325	31 - 35 Years	\$350	36 - 40 Years	\$375
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36 - 40 Years	\$375																				

The Staples Eye Clinic and Midwest Family Eye Center in Staples both offer LHS employees a 10% discount on eyewear, contacts and sun wear.

WAGE AND BONUS BENEFITS

Benefits for Waiving Health Insurance Options	FT	The 1 st of the month after 1 full month of employment	FT employees who voluntarily elect not to receive the health insurance benefit offered by LHS will receive \$50 a month. Employees may elect to receive this benefit as income on a quarterly basis. Watch Team News for reminder of payout.
PT Health Insurance Reimbursement	PT	After 6 months of employment	PT employees will be reimbursed up to \$50 a month upon receipt of proof of premium payment for an independent health insurance plan. Reimbursement will be made on a quarterly basis. Watch Team News for reminder of payout.
Workers Compensation	All	As soon as employed	Insurance protection for on-the-job accidents. Covers medical expenses and loss of income as outlined in state statutes.
Malpractice Insurance / Personal Professional Liability Insurance	All	As soon as employed	Protection in the event of lawsuit. Also, individual liability coverage for employees against malpractice claims if they are personally sued.
Overtime	All	As soon as employed with authorization	Payment of 1½ times regular rate for hours worked over eight (8) hours in a 24 hour work day and over eighty (80) hours in a pay period. In some departments overtime is paid for hours worked over 40 hours in a week. Thanksgiving and Christmas holidays are paid at 1½ times regular rate.
Shift Differential	All	As soon as employed	Nursing and technical staff: Relief shift = \$1.10/hour. Night shift = \$1.40/hour. All other: Relief shift = \$.90/hour. Night shift = \$1.20/hour.

Call Pay	All	As soon as employed	All personnel: \$4.00/hour = off premise; \$6.00/hour = mandatory on premise.
Unscheduled Shift Incentive	FT PT	As soon as employed	Any employee who picks up an unscheduled shift AFTER the schedule is posted (unless otherwise noted in department-specific policies), is paid time work and in addition half time on hours worked on the unscheduled shift. See Personnel Policy Manual for more information.
Weekend Bonus	FT PT	As soon as employed	Any employee who agrees to pick up an unscheduled weekend shift at the facility's request BEFORE the schedule is posted will receive weekend bonus compensation. See Personnel Policy Manual for more information.
Recruitment Bonus	All	As soon as employed	Employees who refer applicants receive a \$100 recruitment bonus if the applicant is hired and successfully completes the six-month review period. At the time of application, applicant must indicate on the application form who has referred them.
STAR Service & Teamwork Award Recognition	All	As soon as employed	A service excellence program where five employees are selected by nominations each month and awarded \$100 each. \$500 awarded to the team member of the year (announced at Annual Recognition Banquet).

FRINGE BENEFITS

Flexible Spending Account (Cafeteria Plan)	FT PT	As soon as employed	Employee election of pre-tax dollars to cover eligible medical expenses and dependent care expenses. (A pre-tax deduction reduces your <i>taxable</i> income each pay period.) Election is annual. Participating employees estimate annual expenses for medical and/or child care expenses. Refer to the cafeteria benefit summary plan or contact HR for additional info.
Employee Assistance Program	All	As soon as employed	Confidential initial assessment and two follow-up visits per year paid by LHS. Counseling services are available at Northern Pines Mental Health Center, Inc. (894-1002) or with LHS Licensed Independent Clinical Social Worker, Barb Parks – Lutheran Social Services (218-828-7379). Call providers directly or schedule an appointment through Employee Health Nurses (894-8164 or 894-8463).
Wellness Program / Fitness Center / Massage Therapy	All	As soon as employed	Employee Receives – Wellness assessment and ongoing personal training to assist in managing the health and wellness goals of the employee. Access to Fitness Centers for a nominal fee at the Main and Senior Campuses. Access to exercise equipment for a nominal fee. Attendance is required in order to receive reduced rate of \$5/month. Employees are given a discount rate for massage (\$25=30 minutes; \$40=60 minutes). Contact Rehab Services for more information (894-8427).
Educational Assistance	FT PT	After completion of 6 month review period	Educational funds available (within annual LHS budget limit) for educational assistance. Funds awarded based on position shortages within LHS as identified by O&P. Applications for assistance require O&P approval. In addition, for Care Center employees, scholarship dollars are available based on State funding. Applications for scholarship dollars also require O&P approval. Contact Human Resources for more information and application forms.
NET Learning	All	As soon as employed	An online training program available to all employees.

RN.com RN, LPN, LSW, ER & Surgery Techs, and Paramedics	FT PT	As soon as employed	RN.com is dedicated to providing the nursing community with fully accredited continuing education online. RN.com offers more than 100 courses and 280 contact hours online and an instant certificate upon successful completion of the course all at no cost to the employee.
Pre-Paid Legal Services	FT PT	As soon as employed	100% coverage for toll-free consultations on any legal subject, phone calls and letters on your behalf, contract/document review, mortgage document assistance, uncontested separation/divorce, adoption, name change, wills and much more. Areas not covered 100% are available at a discount. Cost is \$6.81 per pay period through payroll deduction. Combine this benefit with ID Theft Protection and pay \$11.40/pay period.
ID Theft Protection	FT PT	As soon as employed	Get up-to-date credit status reports, continuous monitoring of your credit, identity theft complete restoration services and up to \$25,000 of insurance to reimburse you for out of pocket expenses you incur while identity theft issues are being resolved. Cost is \$5.98 per pay period through payroll deduction. Combine this benefit with Pre-Paid Legal Services and pay \$11.40/pay period.
College Savings Plan	FT PT	As soon as employed	Employees may elect to enroll in the Minnesota 529 College Savings Plan. Contributions to the plan grow free from federal and MN state income tax. Savings help cover the cost of tuition, books, equipment and many other qualifying college education expenses. Save for yourself, a child, grandchild, niece/nephew, etc. For more information, contact HR.
Uniform Allowance	As Listed	Annually and after completion of 6 month review period	Uniform allowance compensation determined by status and scheduled hours worked in prior year. Prorated uniform allowance compensation determined for new employees by scheduled hours from date of hire. Uniform allowance is paid annually in January as follows: \$ 95 (64 + Hours – FT) \$ 75 (40 – 63 Hours – PT) \$ 25 (5 – 39 Hours – PT)
Direct Deposit / Payroll Deduction Options:	All	As soon as employed	Direct deposit of specific amount or net check into a checking and/or savings account. If you authorize direct deposit, your check will go into your account on Thursday. If you do not elect direct deposit, your check will be mailed on Thursday your address on file.
iPay Statements	All	After first check	Online access to your earnings statements and W-2 forms 24 hours a day.
Lakewood Health System Bills	All	As soon as employed	Payroll deductions for payment of bills will be made upon employee's written request. Employees may also buyout FTO at any time to pay on balances due on Lakewood Health System accounts. Limit is amount owed to Lakewood. Contact Patient Financial Services. Last name A-G call Becky at 894-8643. Last name H-O call Cheryl at 894-8549. Last name P-Z call Pamela at 8407.
Cafeteria	All	As soon as employed	A 30% discount on meals is given to all employees who are wearing their name tag. Coffee is free to all employees. Free meal for all employees on Christmas, Thanksgiving and Easter. Certificate for free meal at LHS on birthday to use on the day of your choice.
Health Work	All	As soon as employed	Yearly mantoux, flu shots in fall, Hepatitis B series for high risk employees, Yearly screenings which include Total Cholesterol, HDL, blood sugar, blood pressure and fecal occult blood tests. Mumps/Measles/Rubella/Varicella screening for new employees. MMR booster.

Notary Public	All	As soon as employed	Free notary public services. Main Campus: Deanne Schimpp (HIM), Shauna Olson, (HIM), Gretchen Bestland (Administration), Lisa Finken (Human Resources), Pamela Withage (Patient Financial Services), Shelly Kastanek (HIM), Sheila Stokes (HIM). Senior Campus: Jackie Hamann, Fiscal/Purchasing. Sylvia Ninneman (Care Center Billing), Betty Arndt (Hospital Billing), Tammy Wentworth (Cashier), Lisa Bjerga (Accountant).
Partners in Action (PIA)	All	As soon as employed	PIA provides all employees opportunities for input and participation to develop teamwork and best meet the needs of our customers. PIA is made up of employee and management representatives from the five divisions within LHS.
Recognition Banquet	All	As soon as employed	A Recognition Dinner is held annually for retired employees, team members of the month, idea bank recipients and employees reaching their 5, 10, 15, 20, 25, 30, etc. anniversary year. Employees recognized for years of service or retirement may select an item of their choice from a gift catalog.
Special Events	All	As soon as employed	Winter Gala – free holiday party for employee and guest consisting of meal, entertainment and prizes (held annually in January). Golf Tournament and Retirement Teas.
Discount Tickets	All	As soon as employed	The following discount tickets are available at the gift shops at the Senior Campus and Main Campus: Mann Theater, Cozy Theater (Wadena), Valley Fair, MN State Fair, Nisswa Family Fun Center, Paul Bunyan Land, Comfort Inn/Rapid River Lodge & Water Park (Baxter), Three Bear Lodge and Theme Park at the Holiday Inn Express (Baxter), Madden's on Gull Lake – Golfing, Renaissance Festival, Minnesota Zoo, Underwater World at Mall of America, Minnesota Children's Museum.
Lakewood Health System Foundation	All	As soon as employed	Payroll deduction for LHS Foundation upon employee's written request. Volunteer opportunities available at fundraising events. Contact Foundation Office for more information (894-8503).

The total estimated cost of 2009 benefits for all employees is \$8,345,313.

For specific details on any fringe benefit described, refer to the Personnel Policy handbook or contact your supervisor or

Human Resource Director, Janet Jacobson at extension 8524
Human Resource Coordinator, Vicki Greenwaldt at extension 8614 or
Payroll/Benefits Specialist, Teresa Schmitz at extension 8707.

*Full-time: Regularly scheduled 64 hours or more per two-week pay period.

**Part-time: Regularly scheduled 20-63 hours per two-week pay period (unless otherwise noted).

DISCLAIMER: This Employee Benefit Summary is intended to provide general benefit information to employees of Lakewood Health System. Lakewood Health System reserves the right to change, add to, eliminate or modify any of the benefits described above at its discretion, with or without notice, in accordance with all applicable state and federal rules and regulations.

Revised June 29, 2009.