2016

OVERVIEW
NCFlex State Insurance Plans

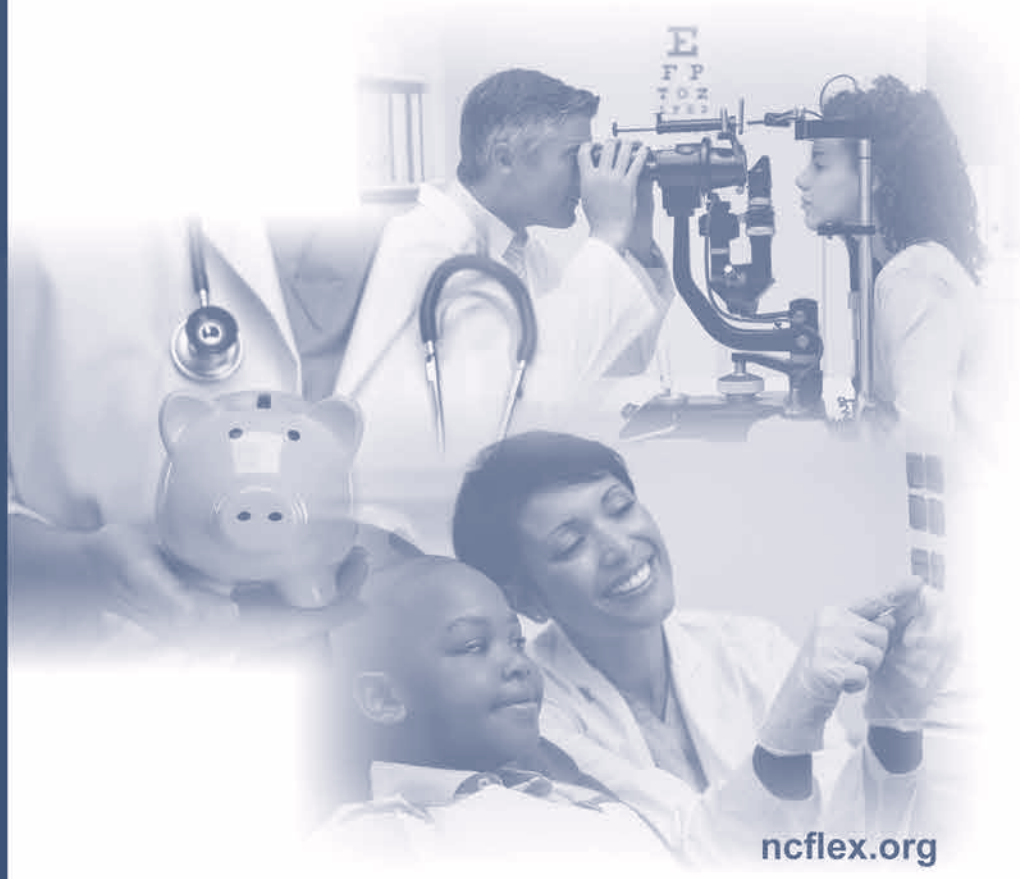
- Health Care Flexible Spending Account (HCFSA)
- Dependent Day Care Flexible Spending Account (DDCFSA)
- Dental Care
- Vision Care
- Critical Illness
- Cancer
- Core Accident Death & Dismemberment (AD&D)
- Voluntary Accidental Death & Dismemberment (AD&D)
- Group Term Life Insurance
- TRICARE Supplement

State Human Resources

NCFlex is administered through the North Carolina Office of State Human Resources.

NCFLEX
STATE INSURANCE PLANS

Enrollment Guide



WELLNESS TIP

Look for the icon throughout the guide to learn how your NCFlex benefits can help you get and stay well!

Nothing Compares
NORTH CAROLINA

Governor PAT McCRORY

Dear Fellow State Employee,

You have many options when it comes to choosing the right benefits plans for you and your family. We want to help you make smart choices so you can keep your expenses down and maximize savings.

The NCFlex State Insurance Plans are the best value for state employees. You can choose among a wide range of high-quality, low-cost, voluntary benefits by having premiums deducted from your paycheck on a pre-tax basis. These benefits include Dental, Vision, Health & Dependent Day Care Flexible Spending Accounts, Cancer, Critical Illness, Voluntary Accidental Death & Dismemberment, and Group Term Life Insurance. In addition, to help the military community, NCFlex now offers a TRICARE Supplement Plan. This plan is available to military retirees or qualified National Guard and Reserve members who work for the state 20 or more hours per week.

NCFlex programs have grown over the past 20 years, with a majority of state employees taking advantage of the value and benefits they offer. Because of the strong participation NCFlex receives, the state can provide reduced rates for employees, allowing you to keep more of your money in your own pocket. Plus, you have the option of enrolling in two benefits at no cost to you – Core Vision and Core Accidental Death & Dismemberment.

Whether you are saving money for planned expenses or preventing illnesses with screenings and fitness activities, NCFlex can meet your needs and help prepare you for life's challenges. I encourage you to take that next step toward your physical and financial wellness and consider enrolling in NCFlex State Insurance Plans today.

To learn more, review this guide or visit the NCFlex website at **www.ncflex.org.**

Sincerely,

Pat McCrory

PAT McCRORY
Governor

NCFlex Overview

The NCFlex Benefits Program provides a variety of plans to meet the needs of you and your family. You may enroll in any or all of the NCFlex benefits if you work for a state agency, university, select community college, or select charter school. You pay for the cost of coverage through payroll deduction before taxes are withheld. Paying for NCFlex benefits on a pre-tax basis reduces your taxable income, which in turn reduces your state and federal income taxes and Federal Insurance Contributions Act (FICA).

NCFlex offers the following plans:

Why You Should Participate

Convenience and Tax Savings — Contributions for all NCFlex benefits are made through payroll deduction **before taxes** are withheld.

Flexibility — The choice to participate is yours. You can sign up for any or all of the benefits offered through NCFlex. Then, each year you will get to decide if you want to participate for the next year.

Two Ways to Save — First, we use the size of the State to our advantage to buy benefits at the lowest possible cost to save you money. Second, the cost for the insurance coverages and the two flexible spending accounts (FSAs) are deducted from your pay on a pre-tax basis. The amount of taxes you save (savings can be 25-40%) depends on your tax bracket.

Note: This is only a summary of the benefit plan. You may review and/or obtain a copy of the Certificate of Coverage by accessing our website at www.ncflex.org.

Enrolling for the First Time

What You Must Do

- Read this guide or go online to www.ncflex.org for detailed plan information.

NCFlex Benefits	If You Are Enrolling for the First Time
HCFSA	Enroll and designate annual contribution *(required each year)*
DDCFSA	Enroll and designate annual contribution *(required each year)*
Dental	Enroll and elect High or Low Option
Vision Care	Enroll and elect Core, Basic or Enhanced Core Wellness Exam: Enroll for employee only; no cost coverage
Critical Illness	Enroll and elect coverage
Cancer	Enroll and elect the Premium, High or Low Option
Core AD&D	Enroll for employee-only, no-cost coverage
Voluntary AD&D	Enroll and elect coverage amount
Group Term Life	Enroll and elect coverage amount
TRICARE Supplement	Enroll and elect coverage amount

The State of North Carolina is the employer of this plan.

About This Guide

This guide describes benefits offered through NCFlex. In the event of any discrepancy between what is written here and what is written in the plan document and insurance certificates, the plan document and insurance certificates will govern. Changes in the tax laws or other requirements might cause changes in the plan. The State reserves the right to amend or terminate the plan or any benefits under the plan at any time.

Enrollment Reminders

At a Glance: Important Benefit Enrollment Reminders

Before making your 2016 benefit elections, be sure to review these reminders to help you correctly enroll in the coverage that is right for you and your family. Remember, if you work for a state agency, university, select community college or select charter school your cost for coverage is deducted from your paycheck before taxes.

Benefit	Reminder	Page
Health Care FSA	• Re-enrollment required every year • Annual contribution limit is $2,550 per Federal regulation • FSA Reimbursements are made by direct deposit	7
NCFlex Convenience Card	• One card will be issued - no fee • Activation required • Additional cards must be requested - no fee	10
Dependent Day Care FSA	• Re-enrollment required every year • FSA Reimbursements are made by direct deposit	11
Dental	• Enroll within 30 days when first eligible to avoid waiting period • Waiting periods may apply when changing from the Low Option Plan to the High Option Plan • Changing dental plan options (High Option or Low Option) is only allowed during annual enrollment	15
Vision	• Two-year lockout period, if coverage is dropped • Carryover of frequency of services when changing plans during annual enrollment • New lower rates for Basic and Enhanced Plans for 2016!	19
Critical Illness	• No EOI (Evidence of Insurability) to enroll • Must elect coverage for yourself in order to cover dependents	23
Cancer	• Newly eligible — No EOI Low, High or Premium Options • After initial eligibility — EOI required • Annual increase coverage — EOI required	25
Core AD&D	• Employee only coverage at no cost • You must elect coverage	28
Voluntary AD&D	• Many additional benefits, for you and eligible dependents, are included with election • Worldwide Emergency Travel Assistance services — provide coverage if a medical emergency occurs more than 100 miles away from home or in a foreign country	30
Group Term Life	• Newly eligible – employee: No EOI up to $100,000 • After initial eligibility – employee: No EOI up to $20,000 during annual enrollment • Annual Increase – employee: No EOI for $10,000 increase up to $100,000 during annual enrollment	32
TRICARE Supplement	• New benefit • Must have TRICARE Standard, Prime, Extra or be TRS • No deductible	34

Know Your Benefits

The State of North Carolina offers employees opportunities to participate in many benefits that can help you meet your health and financial goals. These include numerous pre-tax voluntary benefits under NCFlex, medical coverage through the State Health Plan, and retirement benefits, in addition to benefits your particular state agency, university, select community college, or select charter school may offer. It is important that you **carefully review your current elections each year** to ensure your choices meet your needs as your life changes.

If you are enrolled in a Medical Plan that has a Health Care Reimbursement Account (HRA) and you are enrolled in a Health Care Spending Account (HCSA), you must use the HRA first. IRS regulations do not permit reimbursement under both plans for the same claims. If your spouse is enrolled in a Health Savings Account (HSA) you can not participate in the Health Care Spending Account (HCSA).

The NCFlex website (www.ncflex.org) provides you with an overview of available benefits. For a current NCFlex benefit statement, visit the online enrollment system.

To obtain information on your other benefits or for help in making your NCFlex elections, please visit the websites listed below. If you need assistance on information that is particular to your state agency, university, select community college, or charter school , please contact your Health Benefit Representative (HBR) or benefit department.

Resource	Web Address
Benefits Resources	
NCFlex Pre-tax Benefits	www.ncflex.org
State Retirement Systems	www.myncretirement.com
ORBIT — State Retirement Account Access	https://orbit.myncretirement.com/Orbit/Common/Pages/BPASLogin.aspx
State Health Plan	www.shpnc.org
Beacon Enrollment System	https://mybeacon.it.state.nc.us
North Carolina Retirement Systems Supplemental Benefits	www.ncretiree.com
Financial & Wellness Resources	
State 401(k) and 457 Retirement Plans	www.ncplans.prudential.com
OSHR State Wellness Program	www.oshr.nc.gov
North Carolina State Employees Credit Union	www.ncsecu.org
Federal Government Finance	www.mymoney.gov

Did You Know?

NCFlex.org is a wonderful resource to help you understand your pretax benefits such as videos and an interactive tool which highlights the pretax benefits offered – check out ALEX on page 5

Wellness Tip

Learn your health status today! Take a free, easy health assessment and receive a personalized health action plan. Go to the State Health Plan's website at www.shpnc.org and click on NC Health*Smart*. (*NC Health*Smart *is for members whose primary health coverage is through the State Health Plan.)*

Eligibility

Your Eligibility and Effective Date

You are eligible to participate in NCFlex if you are a state agency, university, select community college or select charter school employee working 20 or more hours per week in a permanent, probationary or time-limited position. You may check with your HBR concerning your benefit eligibility. If you enroll during annual enrollment, your participation is effective January 1, 2016. **If you are a newly eligible employee, you must enroll within 30 days of your employment date. Your participation begins the first day of the month following your date of hire.** Claims incurred prior to your effective date of coverage or after your plan termination date are not eligible for reimbursement.

Dependent Eligibility

Coverage for your eligible dependents is available for most NCFlex benefits (see the specific benefit section for details). Eligible dependents are generally:

- your legally-married spouse;
- any unmarried child, including stepchild and foster child, who is dependent upon you for support and maintenance until the end of the month in which the child turns age 26;
- any unmarried child, including stepchild and foster child, of any age who remains dependent upon you for support and maintenance and who is unable to make a living because of a mental or physical handicap.*

For the accidental death and dismemberment, cancer, critical illness, dental and vision plans, you may cover children who meet the above requirements.

For the Health Care Flexible Spending Account (HCFSA), you may also cover children under the age of 26, regardless of student, tax dependency or marital status.

In addition, you may submit eligible expenses for a qualifying relative, which includes any individual who is not the tax dependent of another taxpayer, has the same principal residence as you, and for whom you provide more than half of the support for the calendar year.

The DDCFSA has additional eligibility rules. See the "" section on page 11 for details.

Note: You should consult with your tax advisor if you have questions as to whether someone qualifies as your income tax dependent.

If Your Benefits Claim is Denied

If you have a benefits claim that is denied by the carrier, you have certain rights as a plan participant to appeal. For information on the appeals process for specific benefits, you may contact the individual benefit carriers. Please refer to the section of this guide (back cover) or contact your HBR. The steps to the appeals process is also located in the insurance certificates.

If You Have a Life Event

If you experience a life event (also referred to as a family or employment status change), it is your responsibility to contact your benefits representative to make appropriate changes. More detailed life events information is also available on www.ncflex.org.

Wellness Tip

Did you know that making healthy lifestyle choices, such as not smoking, staying active and eating healthy foods, can not only make you feel well, it can also help prevent health disease?

alex®

NCFlex presents..."drum roll please"...

An online tool to help guide you through your benefit decisions!

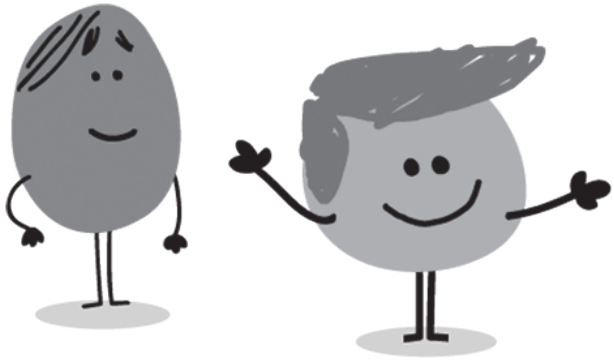
- ALEX is the host of a unique interactive experience
- Feels as though you are having a conversation with a real-live benefits expert
- Uses plain English to explain the benefits offered by NCFlex
- Will ask simple questions and highlight the plans that might be the best fit for your needs
- Takes less than 10 minutes

ALEX can help you understand:

- Pre-Tax benefits and how it can save you money
- The Flexible Spending Accounts so you know how much to contribute
- These benefits and which ones fit you and your family's needs:
  - Dental
  - Vision
  - Life
  - Critical Illness
  - Cancer
  - TRICARE
  - AD&D

ALEX can help answer questions such as:

- What is a pre-tax benefit? How can it save me money?
- How does an FSA work?
- Do I need to re-enroll in my AD&D coverage?
- Do I need high option dental?
- What kind of vision coverage does my family need?
- How much cancer coverage do I need?
- Why does my family need Critical Illness?
- And more



Interact with ALEX at www.ncflex.org

Changing Your Elections During the Year

Qualifying Life Events

Each year you can choose to participate in any or all of the NCFlex benefits. Once you have decided to participate, **you cannot change or cancel that decision during the year unless you have a life event — a change in family or employment status**.

These events include, but are not limited to:

- Marriage
- Divorce or legal separation
- Birth or adoption (or placement of adoption) of a child
- Death (yours or that of a covered dependent)
- Unpaid leave of absence for you or your spouse
- Change in your employment status (i.e., changing from full-time to part-time)
- Change in your spouse's employment, impacting his/her benefits eligibility
- Your dependent turns age 26

For more details about qualifying life events and the steps you need to take when one of them occurs, visit the "Life Events" section at www.ncflex.org.

If you wish to change your elections, you must contact your benefits representative and make changes within **30 days** of the event. Valid changes to your elections are effective on the first day of the month following the date of your life event. **You may be required to provide documentation to verify the change.**

The changes you want to make to your benefits **must be consistent with the life event**. All benefits changes are subject to approval. Some plans are subject to waiting periods or require Evidence of Insurability (EOI). The Dental Plan and Vision Care Plan do not permit participants to change options during the plan year. (For example, Low Option to High Option or Basic to Enhanced, or vice versa.)

Non-Qualifying Life Events

If any events other than those listed above occur, check with your HBR to see if you may make changes to your NCFlex coverage during the year. Some examples of events that do not allow you to change your NCFlex elections are:

- re-hired within 30 days of termination date;
- the benefit cost is too high/you did not realize how much was going to come out of your paycheck;
- you decided you do not like the coverage; or
- you need more money in your paycheck.

Transfers

The State of North Carolina is the employer for the NCFlex benefits. When you transfer between a state agency, university select community college or charter school, you can not make changes to your elections or elect new benefit options. You must transfer your existing NCFlex benefits to the new work location. **Check your pay statement to ensure benefits transferred.**

Limitation Affecting Increases to Spending Account Election

If you use an approved life event to increase your election amount to your HCFSA or DDCFSA, reimbursement of expenses incurred prior to the change date will be limited to your original account maximum and not the new maximum. For example, if you elect $1,000 for the plan year, then increase your plan-year maximum to $1,200 on July 1, you cannot be reimbursed more than $1,000 for expenses incurred prior to July 1.

Limitation Affecting Changes to Dental and Vision Elections

A waiting period may apply to dental coverage. There are also enrollment and benefit limitations for vision coverage. Refer to these sections within this guide for more information.

IMPORTANT NOTES

- *Review your pay stub to make sure your deductions are correct. If deductions are incorrect on your pay stub, contact your HBR or benefits department immediately.*
- *If you change banks or bank accounts during the year, you will need to notify your HBR or benefits department if you participate in the FSAs, so your reimbursements will be credited to the correct account.*

Health Care Flexible Spending Account

To participate, you MUST ENROLL in this plan each year.

The Health Care Flexible Spending Account (HCFSA) is simple to use. By participating you choose to contribute a set amount to your account through payroll deductions on a pre-tax basis. When you enroll in the HCFSA you will receive the NCFlex Convenience Card debit card to use for eligible expenses. There is no cost for the NCFlex Convenience Card. Cards are good for three years from the date of issue. If you are enrolled in the 2015 HCFSA and are re-enrolling in the account for 2016, your NCFlex Convenience Card will automatically be loaded with your new HCFSA election amount.

With this account you are reimbursed with the pre-tax dollars you set aside to pay for medical, dental or other health care expenses not reimbursed by a health plan. This account can benefit almost all eligible employees, their spouses, children and dependents who satisfy the "Dependent Eligibility" rules in the "NCFlex Program" section.

You never have to pay taxes on the money you receive from your spending account for qualified expenses. That means permanent tax savings, which helps your health care dollars go further.

How to Use Your HCFSA

To participate, you must enroll in this plan each year. FSA Reimbursements are made by direct deposit.

If you participate in the HCFSA, you decide how much money you want to put into your account. Your annual contribution cannot be less than $120 a year. ***As part of the Health Care Reform Act, the maximum contribution amount is $2,550.*** When enrolling, please remember to elect your annual contribution amount.

When you enroll in the HCFSA, you will receive a claims kit containing a claim form and the procedures you need to follow when filing a claim.

Electronic Claim Submission Options

There are two electronic claim submission options:

1. Electronic Claim Upload- submit a paperless claim. Log into your P&A Account at ncflex.padmin.com. Go to Member Tools–> Upload Claim–>New Claim.

2. Mobile Claim Submission- submit a claim directly from your smartphone!* First, capture a picture of your receipt or other documentation. Then, log into your account from your smartphone by going to www.padmin.com. Select Upload–> Add File and choose the image of your receipt from your image gallery.

*Not all mobile claim upload features are currently available on all mobile devices or with all operating systems. Wireless carrier fees may apply. Requires at least a 2-megapixel camera.

Claim forms and supporting documentation can also be submitted via fax or mail. Go to ncflex.padmin.com to access the FSA claim form. When submitting a paper claim you must attach an itemized, third-party receipt or the insurance company EOB.

Fax: (877) 213-8917

Mail: (Attn: NC FSA Plan) 17 Court Street, Suite 500 Buffalo, NY 14202

If your claim is for a medical condition that is covered by a medical or dental plan, you will need to file your claim with that plan first. After that claim is processed, submit a copy of the EOB, which shows your out-of-pocket expenses, as part of your HCFSA claim. Under most circumstances, the State Health Plan no longer provides EOBs for PPO plan members for routine physician visits. A Claims Status Detail can be obtained on the State Health Plan's website.

Claim Reimbursements

Claims are processed every day (with the exception of holidays). Your reimbursement will be issued within one business day once your claim is fully processed. When the payment is issued the reimbursement will be direct deposited into your account within two business days (on average), excluding holidays. If you provide P&A Group your e-mail address, they will automatically notify you when your claim is received and again when it is paid.

Another way you can be reimbursed is to pay for your eligible health care expenses using your NCFlex Convenience Card (see page 10 for details).

Claim reimbursement is based on the date you receive health care service, not the date you pay the invoice or the date you are billed, which must be within January 1, 2016 (or your plan effective date) and March 15, 2017, provided you remain in the plan for all of 2016. With the HCFSA, you can be reimbursed for your entire claim up to your plan-year election minus any previous claim reimbursements, even if that amount has not yet been deducted from your pay. This is a great advantage because you can take care of your immediate health care needs and then spread out your payments during the year through payroll deductions.

Take Action

Remember to complete all required information and sign your FSA claim form, if filing manually. Unsigned claim forms cannot be processed and will delay your reimbursement.

Direct Deposit

- *FSA Reimbursements are made by direct deposit!*
- *If you change banks or switch accounts, please notify your HBR or benefits department to avoid payment delays.*

Eligible Health Care Expenses*

You may use your HCFSA for reimbursement of the following out-of-pocket health care expenses incurred during the plan year:

- deductible(s) and co-payments you have to pay under your health care plan or under your spouse's plan;
- the portion of covered expenses you have to pay (called a coinsurance) for any medical or dental bills after you have met your deductible;
- any amounts you are required to pay after reaching your maximum benefit under a medical or dental plan;
- over-the-counter medicines, vitamins and supplements, **only with a physician's prescription**; and
- other allowable expenses including, but not limited to:
  - dental expenses
  - hearing aid and its batteries
  - infertility treatment
  - insulin and diabetic supplies
  - mileage ($0.23 per mile for 2016) to/from medical provider's office for treatment **Note:**
  - orthodontia
  - prescription drugs
  - refractive surgery (RK, PRK, LASIK)
  - smoking cessation programs and
  - medical supplies
  - tuition at special school or specially trained tutor for disabled
  - vision expenses (exams, glasses, frames)
  - weight reduction program (prescribed by doctor to alleviate a diagnosed medical condition or obesity), but plan food is not covered

**Some health care expenses may require a letter of medical necessity written by an authorizing physician. There is a standard form available under "Forms" in the "Resource" section at on www.ncflex.org that your physician can complete. Under the Health Care Reform Act, over-the-counter medications will not be eligible for reimbursement through the HCFSA unless you have a doctor's prescription for the expense.*

Eligible and Ineligible Expenses

Log on to www.ncflex.org for a complete listing of eligible and ineligible expenses. To access the IRS list of expenses please visit http://www.irs.gov/publications/p502.

For an expense to be eligible, it must be incurred for medical care and not reimbursable by a health plan.

IMPORTANT NOTE:
Extension of FSA Expense Period

Expenses can be incurred between January 1, 2016 (or your plan effective date) and March 15, 2017, provided you remain active for all of 2016. (This is also known as the plan's grace period. Claims for expenses incurred during this extension must be postmarked, faxed or submitted electronically by April 30, 2017.

Ineligible Health Care Expenses

Medical, dental and other premiums cannot be reimbursed through the HCFSA. In addition, elective cosmetic procedures and similar expenses are not allowable expenses according to the IRS. Please visit **http://www.irs.gov/publications/p502/** for a more extensive list of eligible expenses. Common ineligible expenses include:

- over-the-counter medications, vitamins and supplements, unless prescribed by a physician;
- cosmetic procedures that are not to correct a congenital deformity or disfigurement due to an accident or disease;
- dental procedures to whiten your teeth; and
- weight loss programs, unless prescribed by a doctor to alleviate a diagnosed medical condition or obesity.

Plan Carefully

Carefully consider your contributions to the HCFSA. **Under IRS regulations you will lose money remaining in your account after the deadline to submit eligible claims — April 30, 2017.** Therefore, you should estimate carefully and conservatively, only setting aside money you feel certain you will spend out of your own pocket for health care expenses during the plan year. **Remember, your NCFlex Convenience Card may not be used for all over-the-counter purchases.**

Termination of Employment

If you terminate employment or coverage during the plan year, you may submit claims for services incurred before your coverage termination date. **Services incurred after this date cannot be reimbursed unless you elect to continue coverage under COBRA.** In accordance with IRS regulation, any unused money in your account is forfeited and remains with the State.

Please note: for FSA purposes only, your termination date is the last date worked, not the end of the month.

HCFSA Worksheet

An important part of planning carefully is using the HCFSA worksheet below to identify you and your family members' out-of-pocket expenses for the upcoming plan year. The HCFSA worksheet is also available online by visiting www.ncflex.org under the "Forms" section.

This worksheet will help you calculate how much you may want to deposit in the HCFSA. Just follow the steps below.

Step 1: Based on your records for the past few years, fill in your anticipated eligible expenses.
- If the expense is paid by a health care plan, enter your copayment and any deductible.
- If the expense is not covered by the health care plan, enter the entire cost.

Step 2: Add up the total annual expenses for yourself and your family.

Step 3: Enter this amount in the Online Enrollment system.

Cost For:	For You		For Your Spouse		For Your Children
Medical plan deductibles	$		$		$
Medical plan co-payments	$		$		$
Birth control pills or devices	$		$		$
Prescription drug co-payments	$		$		$
Routine physicals/exams	$		$		$
Dental care/orthodontia	$		$		$
Vision care	$		$		$
Hearing care	$		$		$
Health services/supplies	$		$		$
Other eligible expenses	$		$		$
Total Annual Health Care Expenses:	$	+	$	+	$

Your Annual Election:
(Enter this amount in the Online Enrollment system) = $

Tax Considerations

The HCFSA is based on current tax laws and gives you the advantage of those laws. Please keep in mind the following tax considerations before participating in the HCFSA:

- Plan participation may affect your future Social Security retirement benefits. This could happen if your taxable pay, after spending account contributions are taken out, is below the Social Security Taxable Wage Base. For most employees, the immediate tax savings is of far greater benefit than the long-term impact on Social Security benefits.
- Participation in the plan will not affect the amount you may contribute to a 401(k), 403(b) or 457 retirement plan.
- You cannot claim the same expenses through the HCFSA and on your tax return. Currently, only health care expenses over 7 1/2% of your adjusted gross income are deductible for income tax purposes. But with the HCFSA, you can save taxes immediately on the very first dollar not reimbursed by your health care plan.

Note: You should consult with your tax advisor on these issues and whether someone qualifies as your income tax dependent.

NCFlex Convenience Card

When you enroll in the HCFSA you will automatically receive the NCFlex Convenience Card at no cost to you! Conveniently pay your eligible HCFSA expenses incurred by you and your dependents by swiping your card at the point-of-service. Purchases you make using the NCFlex Convenience Card are funded by the money in your HCFSA. If you are currently enrolled in the 2015 HCFSA and wish to re-enroll in the 2016 plan, your current NCFlex Card will automatically be re-loaded with the amount you elect for the 2016 plan year. If you are new to the plan and this is the first time you will receive a card, please note the card must be activated first.

How It Works

Your NCFlex Convenience Card automatically checks your account for available balances. Anytime you incur an eligible HCFSA expense with a vendor that accepts credit cards, simply swipe your NCFlex Convenience Card at the point-of-service and the expense will be deducted from your account. You have until March 15, 2016, to exhaust any remaining balance in your 2015 HCFSA. After that date, the NCFlex Convenience Card will deduct eligible expenses from your 2016 HCFSA.

– When swiping your NCFlex Convenience Card, you may choose "credit" or "debit." If you select "debit," you will be required to enter your PIN. Please note, the PIN is unique to your Convenience Card and can be retrieved by logging to your account at ncflex.padmin.com. Go to the Benefits Summary page and select "New Debit Card Pin Information" from the drop down menu under "Choose an Action." Follow the prompts on your screen to access your secure PIN.

– As a reminder, the IRS may require a receipt/ or documentation to process certain convenience card transactions and to ensure your card is being used for eligible expenses only. In the event that you may be asked to provide additional documentation of your purchase, please keep your receipts.

– **If you do not submit requested receipts/documentation within 40 days of the transaction date, your card will be turned off (or blocked) automatically and future claims may be used to offset the transaction.**

Claim Submission Methods

If your provider doesn't accept debit or credit cards you can still be reimbursed for your HCFSA eligible expense. Pay out-of-pocket for your expense and save a copy of your receipt. Submit an electronic or paper claim to P&A and include a copy of your receipt to receive reimbursement. Please see page 7 of this guide- "Claim Submission Options" for more details.

How to Sign up

If this is your first time enrolling in the HCFSA you will receive a card in the mail after you enroll. Your NCFlex Convenience Card can be activated by visiting padmin.com/activatecard or calling (888) 879-4304 before use.

You may request an additional NCFlex Convenience Card at anytime during the year by calling (866) 916-3475 or going online to ncflex.padmin.com.

Remember, cards are good for three years from the date of issue and will NOT be automatically re-issued each January. If you already have an NCFlex Convenience Card do not throw it away! Your 2016 HCFSA annual election amount will be re-loaded onto your existing card.

Additional Cards

You may order an additional card for your spouse or dependent (over 18 years of age) free of charge. To order additional cards call (866) 916-3475 or go online to ncflex.padmin.com and log into your account to request an additional card.

IMPORTANT NOTE:

- *The NCFlex Convenience Card is no longer available for Dependent Day Care participants.*
- *The NCFlex Convenience Card can only be used for over-the-counter medications. If you have a prescription, the transaction is processed at a pharmacy that accepts the Convenience Card.*

How to Check Your Account Balance

View your account balance directly from your smart phone - a great way to manage your account with on-the-go convenience! Visit ncflex.padmin.com on your mobile phone and log into your account to access up-to-date account information.

You can also sign up to receive your account balance via text message. Simply update your online P&A Account profile at ncflex.padmin.com with your mobile number and carrier- that's it! Once your profile is updated text the word BAL to the number 70626 and receive a text message with your account balance anytime, anywhere.

Lastly, you can also check your account balance by logging into your account from your computer. Or, give P&A's customer service team a call at (866) 916-3475 and a customer service agent will assist you.

Dependent Day Care Flexible Spending Account

To participate, you MUST ENROLL in this plan each year.

The Dependent Day Care Flexible Spending Account (DDCFSA) is designed to benefit employees with young dependent children or disabled dependents of any age. Eligible day care expenses may be reimbursed for:

- your "qualifying child" (including a stepchild, foster child, child placed for adoption, or younger brother or sister) under age 13 who has the same principal residence as you for more than one-half of the year and does not provide more than one-half of his or her own support during the calendar year; or
- your qualifying child (as defined above) of any age, spouse or other dependent who receives over one-half of his or her support from you (e.g., your disabled elderly parent), who is physically or mentally incapable of caring for himself or herself and has the same principal place of residence as you for more than one-half of the year. To reimburse day care received outside of your home, your disabled dependent must spend at least 8 hours per day in your home.

Special rules apply for divorced or separated parents with dependent children. Generally, your child must be your dependent for whom you can claim an income tax exemption. In other words, you must have legal custody of your child for over one-half of the year for your day care expenses to be reimbursed through the DDCFSA.

Note: You should consult with your tax advisor if you have questions about whether someone qualifies as your income tax dependent.

When enrolling, you choose to contribute a set amount of money to your account through payroll deduction on a pre-tax basis. When you have an expense that qualifies for reimbursement, just submit a claim with any necessary documentation and you will receive a tax-free reimbursement.

With this account you are reimbursed with pre-tax dollars for child care or dependent adult care expenses you incur while working. If you are married, expenses are eligible expenses only if the expenses are necessary so that you and your spouse can work or attend school full-time. Your spouse also may be unemployed but actively looking for work.

To participate, you must enroll in this plan each year. DDCFSA Reimbursements are made by direct deposit. This is a "pay-as-you-go" account; your entire election amount is not available January 1. You can only receive reimbursement up to the amount that has been payroll deducted to date.

How to Use Your DDCFSA

You decide in advance how much money you want to put into your account for the full year. If you participate in the DDCFSA, your annual contribution cannot be less than $120 a year. If you are single or if you are married and file a joint tax return, your annual maximum contribution is $5,000 a year. If you are married and file a separate tax return, your annual maximum contribution is $2,500 a year. These maximum limits comply with federal tax regulations. When enrolling, please remember to elect your annual contribution amount.

When filing a claim, attach a receipt that shows the amount of the charge and date of service with your dependent day care provider's tax identification number or Social Security Number.

Claims are processed each day (with the exception of holidays). Your reimbursement will be issued within one business day once your claim is fully processed and adjudicated. When the payment is issued the reimbursement will be direct deposited into your account within two business days (on average), excluding holidays. If you provide P&A Group your email address, they will automatically notify you when your claim is received and again when it is paid.

Claim reimbursement is based on the date you receive the dependent day care service, not the date you pay the invoice or the date you are billed, which must be within January 1, 2016 (or your plan effective date) and March 15, 2017, provided you remain active through December 31, 2016. **You will be reimbursed up to your available balance in your DDCFSA on the processing date.**

When you enroll in the DDCFSA, you will receive a claims kit containing a claim form, and the procedures you need to follow when filing a claim. A list of eligible expenses is available online. You also may visit www.ncflex.org for this information.

Take Action

Remember to complete and sign your FSA claim form, if filing manually. Unsigned claim forms cannot be processed and will delay your reimbursement.

Direct Deposit

- *DDCFSA Reimbursements are made by direct deposit.*
- *If you change banks or switch accounts, please notify your HBR or benefits department to avoid payment delays.*

Eligible Dependent Day Care Expenses

Under tax laws, dependent day care expenses are eligible only if the expenses are necessary so that you and your spouse can work or attend school full-time. In addition, your spouse also may be unemployed but actively looking for work. If your spouse works part-time, your election may not exceed the lesser of your annual income or your spouse's annual income.

You can be reimbursed through your DDCFSA for:

- payments to nursery schools, day care centers or individuals who satisfy all state and local laws and regulations;
- payments for before-school care and after-school care beginning with kindergarten and higher grades;
- payments to relatives for care of a qualifying dependent(s); however, the relative cannot be your tax dependent or your child if under age 19 as of the end of the calendar year; and
- payments (in lieu of regular day care) to day camp (e.g., soccer, computers, etc.), but not overnight camps.

Eligible and Ineligible Expenses

Log on to www.ncflex.org for a complete listing of eligible and ineligible DDCFSA expenses. Go to Resources > Forms > FSA, then FSA Claims Kit.

Ineligible Dependent day Care Expenses

Some common ineligible expenses include:

- tuition expenses for education of a qualified dependent beginning with kindergarten and higher grades;
- expenses incurred while you and/or your spouse are not working (except for short temporary absences like vacation and minor illnesses);
- expenses for overnight camps;
- transportation fees;
- prepayment for services not received while covered; and
- late payment fees.

IMPORTANT NOTE:
Extension of FSA Expense Period

Expenses can be incurred between January 1, 2016 (or your plan effective date) and March 15, 2017, provided you remain active for all of 2016. Prior year claims must be postmarked, faxed or submitted electronically by April 30, 2017.

Plan Carefully

Carefully consider your contributions to the DDCFSA. **Under IRS regulations, you will lose money remaining in your account after the deadline to submit eligible claims — April 30, 2017.** Therefore, you should estimate carefully and conservatively, only setting aside money you feel certain you will spend out of your own pocket for dependent day care expenses during the plan year.

Termination of Employment

If you terminate employment or coverage during the plan year, you may submit claims for services incurred on or before your coverage termination date. Services incurred after your termination date will be reimbursed up to your available balance*. In accordance with IRS regulation, any unused money in your account is forfeited and remains with the State.

Only pertains to the Dependent Day Care FSA.

Important Issues

If both you and your spouse contribute to this plan or to a similar plan where he or she works, the IRS only allows a maximum family contribution of $5,000 per calendar year.

Keep in mind your annual election cannot be greater than either your annual income or your spouse's annual income, whichever is lower.

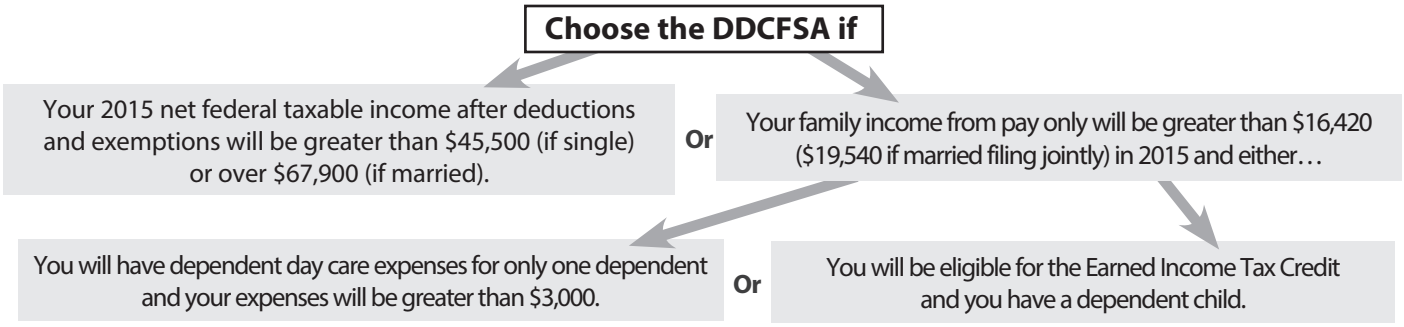
Certain IRS rules also affect the amount you may elect on a pre-tax basis:

- If your spouse is a full-time student or totally disabled, your spouse is treated as having income of $250 a month ($500 a month if two or more dependents receive dependent day care). If your spouse is actively looking for work, your spouse's income for the year must exceed your DDCFSA annual election.
- If you are considered highly paid by the IRS (earning over $115,000 in the previous plan year of 2015 and indexed for inflation in future years), your pre-tax dependent day care election may need to be adjusted based on the results of IRS discrimination tests. If you are affected, you will be notified.
- If you are divorced or legally separated, you must have legal custody of your child for over half the year to participate in the DDCFSA.

Note: The NCFlex Convenience Card is no longer available for Dependent Day Care participants.

DDCFSA or Tax Credit: What Combination Is Right for You?

Both the DDCFSA and the tax credit are designed to save you money on your dependent care expenses by reducing your taxes. But which is the best option to choose? In general:



Eligibility for Earned Income Tax Credit: Several issues help determine eligibility for this tax credit. Typically, the main issue for eligibility is if your income from pay (minus any pre-tax benefit deductions) is low enough to qualify.

- If you have one dependent child, your 2015 family income from pay only must be less than $39,131 ($44,651 if you are married and filing jointly) to qualify.
- If you have more than two dependent children, your 2015 family income from pay only must be less than $42,242 ($53,267if you are married and filing jointly) to qualify.

Pre-tax contributions you make for health care coverage and flexible spending accounts can help reduce your earned income to the threshold needed to qualify for the Earned Income Tax Credit — capitalized in the box above — or they can increase the amount of your credit.

The dollar amounts shown above are based on federal and North Carolina tax law and estimated 2015 tax brackets. The actual tax brackets may be different, depending upon inflation through August. You may want to consult your tax advisor for further assistance.

Tax Considerations

The DDCFSA is based on current tax laws and gives you the advantage of those laws. Please keep in mind the following tax considerations before participating in the DDCFSA:

- You may prefer to use your dependent day care expenses to claim a Child Care Credit when you file your federal and state income tax returns. The law permits you to use the Child Care Credit or the DDCFSA but not for the same expense. (Your Child Care Credit is reduced dollar-for-dollar by any amount you claim through the DDCFSA.) The spending account is an alternative way to save taxes for those employees who may prefer not to file for the Child Care Credit or who would receive greater tax savings through the DDCFSA.
- Plan participation may affect your future Social Security retirement benefits. This could happen if your taxable pay, after spending account contributions are taken out, is below the Social Security Taxable Wage Base. Most employees, the immediate tax savings is of far greater benefit than the long-term impact on Social Security benefits.
- Participation in the plan will not affect the amount you may contribute to a 401(k), 403(b) or 457 retirement plan.

2016 Child Care Credit

Please consider the following when deciding between using the Child Care Credit and the DDCFSA:

- The maximum eligible dependent day care expense under the Child Care Credit is $3,000 for one child and $6,000 for two or more children (*subject to change per IRS guidelines).*
- The maximum Child Care Credit percentage is 20% to 35%, depending on your income.
- The adjusted gross income level at which the Child Care Credit begins to phase out is $15,000.

Refer to the DDCFSA vs. Tax Credit chart above for more information or ask your tax advisor which program or combination of programs offers you the greatest tax savings.

DDCFSA Worksheet

An important part of planning carefully is using a worksheet to identify your dependent day care out-of-pocket expenses for the upcoming plan year. The DDCFSA worksheet is also available online by visiting www.ncflex.org, under the "Forms" section.

To get an idea of your dependent day care expenses, take a look at your records for the past few years. Using this information, add any new types of expenses you anticipate and complete the following worksheet:

Upcoming Plan Year

Child care (children under age 13)	$
Dependent adult day care	$
FICA and other taxes you pay for the above care providers	$
Day camp (not overnight camp)	$
Cost for preschool (prior to kindergarten)	$
Total Annual Expenses:	= $
Your Annual Election:	= $ (Enter this amount in the Online Enrollment system)

Remember…

If you are single or married and filing jointly, the most you can deposit in the DDCFSA is $5,000 in a calendar year. If you are married and filing separately, the maximum is $2,500 a year. If both you and your spouse can contribute to this plan or to a similar plan where he or she works, the maximum family contribution is $5,000.

Keep in mind your annual election cannot be greater than either your annual income or your spouse's annual income, whichever is lower.

Certain IRS rules also affect the amount you may elect on a pre-tax basis:

- If your spouse is a full-time student or totally disabled, your spouse is treated as having income of $250 a month ($500 a month if two or more dependents receive dependent day care). If your spouse is actively looking for work, your spouse's income for the year must exceed your DDCFSA annual election.
- If you are considered highly paid by the IRS (earning over $115,000 in the previous plan year of 2015 and indexed for inflation in future years), your pre-tax dependent day care election may need to be adjusted based on the results of IRS discrimination tests. If you are affected, you will be notified.
- If you are divorced or legally separated, you must have legal custody of your child for over half the year to participate in the DDCFSA.

This benefit does not require annual enrollment

Dental

Why You Should Consider Dental Coverage

Taking care of your teeth and gums benefits more than your smile. In fact, research suggests that gum disease may increase your risk for certain medical conditions such as diabetes, heart disease, stroke, premature birth and others. That's why it's important to have a dental plan that makes it easy to get the preventive care you need to maintain good oral health, while also providing coverage for more extensive services if you need them.

Affordable Plan Options

When enrolling for the NCFlex dental plan, you can choose from either the High Option Plan or the Low Option Plan. This gives you the flexibility to choose the plan that's right for both your dental health needs and your budget.

With either plan option, you can visit a network or a non-network dentist and get the same amount of coverage. You can save more money by visiting a Concordia Advantage Plus network dentist. Network providers have agreed to accept our allowances for eligibe dental services- offering significant savings. Refer to the "**Summary of Benefits**" section on page 16 to review the services covered under each plan. To find a dentist visit www.unitedconcordia.com. Choose **Find a Dentist Tool.** The NCFlex network is Advantage Plus.

Enrolling in an NCFlex Dental Plan

If you are currently enrolled in NCFlex dental, you are not required to re-enroll. **Your current dental plan election will carry over, unless you make a change during annual enrollment.**

Enrolling within 30 days of your employment hire date allows you to utilize your benefits on either the Low or High Option plan with no waiting period. Enrolling after 30 days from your employment date may subject your dependent children, up to age 19, to waiting periods for orthodontic services. Credible coverage information is required to waive the waiting period. Refer to the NCFlex website at www.ncflex.org (Forms section) for procedures on how to submit documentation. For additional information refer to the "**Benefit Waiting Periods**" chart on page 17.

Changing Dental Plan Options

Once you select your dental plan option (High Option or Low Option) you must keep that option for the entire plan year, even if you have a qualified life event. You may change your dental option during the annual enrollment period only (for example, Low Option to High Option or High Option to Low Option). If you change from Low Option to High Option, orthodontic services for dependent children (up to age 19) will be subject to waiting periods. Refer to the "**Benefit Waiting Periods**" chart on page 17.

The Dental Plan is administered by United Concordia and underwritten by United Concordia Life and Health Insurance Company. For information regarding claim payment, refer to the Certificate of Coverage found at www.ncflex.org.

RATE REDUCED!

Monthly Cost

Rate Tier	High Option	Low Option
Employee Only	$ 36.88	$ 21.22
Employee and Spouse	$ 73.96	$ 42.78
Employee and One Child	$ 70.96	$ 41.04
Employee and Two or More Children	$ 89.70	$ 52.28
Family	$ 130.58	$ 73.22

Dental Claims Processing

United Concordia encourages you to discuss your treatment plan with your provider and submit a pre-estimate **before the work begins** if the estimated charge for a particular dental service is expected to be $300 or more.

To submit a pre-estimate, just ask your dentist to submit the proposed treatment plan, applicable x-rays, supporting documents and estimated charges to United Concordia. This provides an opportunity for you, your dentist and United Concordia to review the proposed course of treatment and estimated fees.

In addition, certain procedures require supporting documentation of clinical evidence for approval. (Refer to the "**Summary of Benefits**" on page 16.) *The Dental Claims Processing Guide (www.ncflex.org/Dental/Forms)* contains complete details regarding required supporting documents for claim processing. **Important Note: Claims must be filed and received by the dental plan within 365 days from the date of service.**

Need More Information?

Visit...	And look under...	To find...
www.ncflex.org	Documents & Links	• *United Concordia website link* • Dental Forms • Online Tools
	Dental	
www.unitedconcordia.com		• My Dental Benefits (benefits information, claims history, etc.) • *Find a Dentist* • Dental Health Center • Mobile Application

Summary of Benefits

Important Note: This is only a summary of the benefit plan. You may review and/or obtain a copy of the Certificate of Coverage by selecting "Certificates" under the "General Benefits Info" tab on www.ncflex.org. You may register on ***My Dental Benefits*** at www.unitedconcordia.com to get information about what is and is not covered on your plan. Payments for services are subject to **maximum amounts allowed** by the plan.

Benefit Category	High Option Plan Pays	Low Option Plan Pays
Type I — Diagnostic and Preventive		
Oral Examinations (2 per calendar year)	100%	100%
Cleanings (2 per calendar year)		
X-rays (bitewing x-rays — 1 per calendar year; full-mouth radiograph series or panoramic series — 1 every 5 years)		
Topical Fluoride (2 per calendar year under age 19)		
Sealants for Permanent First and Second Molars (under age 16; see Certificate for frequencies)		
Space Maintainers (under age 19)		
Type II — Basic Services (Supporting documentation required for Periodontal Services*)		
Fillings (amalgam, synthetic or composite; replacements limited to once every 12 months)	80%	50%
Simple Extractions		
Endodontics (root canal treatment)		
General Anesthesia		
Oral Surgery (wisdom teeth extractions)		
Re-cement Crowns, Inlays, Bridges		
Repair of Removable Dentures		
Periodontal Services* (gingivectomy, gingivoplasty, osseous surgery, scaling and root planing)	50%	
Periodontal Maintenance after Therapy* (2 per consecutive 12 months)		
Type III—Major Services (Not covered under the Low Option Plan; supporting documentation is required*)		
Crowns, including Single Implant Crowns* (not eligible for dependent children under age 14; replacements limited to every 7 years. Single prosthetic procedures are considered completed on the date they are inserted, not the date of impression.)	50%	Not Covered
Dentures* (replacements limited to every 5 years)		
Bridges* (replacements limited to every 5 years)		
Fixed Bridge Repairs*		
Denture Adjustments/Relining* (within 6 months of initial denture placement)		
Implants*		
Type IV — Orthodontics (High Option only - Dependent children up to age 19)		
Orthodontic treatment in progress (treatment plans not started under the United Concordia plan or started when a member was establishing a waiting period) will be prorated based on the date the benefit is eligible on the United Concordia plan. Reimbursement will not be paid beyond the date the child turns the age of 19.	50%	Not Covered
Maximums/Deductibles		
Calendar-Year Maximum (per covered person; excludes orthodontic services under the High Option Plan)	*NEW!* $2,500	$1,000
Lifetime Orthodontic Maximum (per covered person) **The lifetime maximum will include any reimbursement received from the prior carrier or the cost of services rendered before waiting period ends.**	$1,500	N/A
Calendar-Year Deductible (per person/per family)	$50/$150 for Types II and III only	$25/$75 for Types I and II

Periodontal and major restorative services are reviewable services that require supporting documentation of clinical evidence.** Complete details regarding required supporting documents for claim processing are in the ***Dental Claims Processing Guide. You may review and/or obtain a copy of this guide by visiting the "Forms" section at www.ncflex.org or visiting the State of North Carolina Clients' Corner page at the United Concordia website, www.unitedconcordia.com, under the "Members" section.

Benefit Waiting Periods

Important Note: The benefit waiting period refers to the amount of time the employee or dependent must be covered by the plan or a qualified after-tax plan before specified benefits are payable. The plan will not pay for (and covered dental services do not include) charges incurred by the insured individual or dependent before the completion of the benefit waiting period. If orthodontic work is started before the waiting period is complete, benefits payable after the waiting period is complete will be pro-rated. The waiting periods outlined below apply to covered services under each plan type. Please see the Summary of Benefits or Certificate of Coverage for details.

Enrolling for the First Time

State or Employer Sponsored Plan Type	And You are Enrolling in the NCFlex:	Waiting Period
New Hire (Enrollment must be within 30 days of hire)	High Option	**NO** waiting period for covered services
	Low Option	**NO** waiting period for covered services
Late Entrant (Not enrolled in any dental option prior to January 1, 2016)	High Option	12 month waiting period Type IV (Orthodontic) services **
	Low Option	**NO** waiting period for covered services

Enrolling from a State or Employer Sponsored Plan at Annual Enrollment or due to a Qualifying Life Event*

State or Employer Sponsored Plan Type	And You are Enrolling in the NCFlex:	Waiting Period
Low Option (without Orthodontics)	Low Option	**NO** waiting period for covered services
Low Option (without Orthodontics)	High Option	12 month waiting period Type IV (Orthodontic) services **
High Option (with Orthodontics)	Low Option	**NO** waiting period for covered services
High Option (with Orthodontics)	High Option	**NO** waiting period for covered services

*Credit towards orthodontic waiting periods will be awarded upon receipt of documentation showing continual coverage in a benefit plan that offers orthodontic coverage up to your effective date of coverage on NCFlex. Refer to the NCFlex website at www.ncflex.org (Forms section) for procedures on how to submit the required documentation. Without documentation, coverage will default to Late Entrant waiting periods as indicated above.

Changing Your Dental Option at Annual Enrollment

Note: Changing from High Option to Low Option or vice versa is permitted at Annual Enrollment	Change	Waiting Period
Enrolled in Low Option	High Option	12 month waiting period Type IV (Orthodontic) services **
Enrolled in High Option	Low Option	**NO** waiting period for covered services

Adding Dependents at Annual Enrollment or due to a Qualifying Life Event

Enrolled in either High Option or Low Option	Waiting periods for dependents match waiting periods applicable to member at the time of addition of dependents

***Dependent children, up to age 19, participating in the High Option Plan are eligible for orthodontic benefits. Benefits are payable for treatment plans which begin after the benefit waiting period is completed. Orthodontic treatment in progress (treatment plans not started under the United Concordia plan or started when a member was establishing a waiting period) will be prorated based on the date the benefit is eligible in the United Concordia plan. The lifetime maximum will include any reimbursement received from the prior carrier.*

Exclusions and Limitations

This is a partial listing of the exclusions listed with the plan policy. Please refer to your plan certificate for a complete listing. If there are any discrepancies, the plan policy certificate and/or contract shall govern. The policy will not pay for the following dental expenses and services:

- crowns, inlays, cast restorations or other laboratory-prepared restorations on a tooth that is not extensively decayed and/or has a complete cusp fracture and can successfully be restored with an amalgam or composite resin filling;
- procedures, services or supplies which: (a) are not included in the policy's list of covered dental services; or (b) have been rendered before the insured's insurance begins; or (c) have been rendered before any applicable waiting period has been served; or (d) have been rendered after the insured's insurance ends, except as defined under the plan policy;
- any procedure, service or appliance which relates to: (a) the change in bite; or (b) the alteration of the bite with the exception of periodontal surgery; or (c) bite registration; or (d) bite analysis; or (e) occlusal guard;
- pulp caps; adult fluoride treatments; athletic mouth guards; replacement of lost or stolen appliances; myofunctional therapy; infection control; oral hygiene instruction; separate charges for acid etch; treatment of jaw fractures; orthognathic surgery; personal supplies; broken appointments; completion of claim forms; exams required by a third party; travel time; transportation costs; professional advice given on the phone;
- chemotherapeutic agents that are provided on the same day or within 45 days following periodontal scaling or root planing or periodontal surgical procedures;
- procedures, services or supplies which do not have a reasonably favorable prognosis, as determined by us;
- any procedure, service or supply provided primarily for cosmetic purposes;
- services or supplies received as a result of disease, defect or injury due to war or an act of war (declared or undeclared), taking part in a riot or insurrection or committing or attempting to commit an assault or felony; or
- treatment performed outside of the United States of America, other than emergency treatment. For such emergency treatment, the maximum allowable charge shall not exceed the plan's allowable charge.

Review your Certificate or register on My Dental Benefits for a complete overview of your benefit exclusions, limitations and frequencies. You must use your 12 digit ID number to register on My Dental Benefits.

Eligible Dependents

Include your spouse or unmarried dependent child(ren) up to age 26, regardless of student status.

Wellness Tip

- Don't rush! Brush 2-3 times a day for at least 2-3 minutes
- Be gentle- harder is not better
- Reach for the back
- Soft bristled brushes are recommended

Vision Care

NCFlex offers an excellent Vision Care Plan. The plan is administered by Superior Vision Services (SVS) and underwritten by National Guardian Life Insurance Company. It offers two schedules of benefits- both provide a comprehensive eye exam and benefits for vision materials. You may receive either eyeglasses or contact lenses in a benefit period but not both. You have the following options:

Core Wellness Exam: available to employees at **no cost.** An annual comprehensive eye exam for a $20.00 co-pay. Discounts are available on vision materials if needed.

Basic Plan (formerly Plan 1) Exam and Materials
A plan that provides an annual comprehensive eye exam and your choice of glasses or contact lens.

Enhanced Plan (formerly Plan 3) Enhanced Exam and Materials
A plan that provides an annual comprehensive eye exam and your choice of glasses or contact lens with increased frequency, frame allowance and contact lens allowance.

The Core, Basic and Enhanced plans offer in-network and non-network benefits. Using an in-network provider will result in less expense for you and it is your choice to make. Remember, you are responsible for paying any charges in excess of your covered benefit. When using a non-network provider, you pay the provider in full and submit an itemized bill to SVS. You will be reimbursed the non-network allowance.

You have a choice of over 2,500 vision providers in the SVS network that includes ophthalmologists, optometrists and optical companies. Providers in the SVS network also include many optical chains, plus one-hour and same-day locations throughout the state. If your vision care provider is not part of the SVS network, you or your provider may contact SVS with the provider's name, address and telephone number to begin the provider nomination process.

Cost

The monthly premium you pay for vision coverage is based on the plan you choose and whether you choose to cover yourself only or yourself and your family. If you wish to participate in the Wellness Core Exam, you must enroll.

RATE REDUCED!

Cost	Employee Only	Employee and Family
Core Wellness Exam	No charge	N/A
Basic Plan	$ 5.56	$ 15.46
Enhanced Plan	$ 8.58	$ 22.88

Cancellation of Coverage

If you elect coverage this year and drop coverage the following year, you will have to wait an additional two years ("lockout" period) before you can re-enroll in the plan. For example, if you enroll for 2015 and drop coverage for 2016, you cannot participate in the plan until 2018. PLEASE NOTE: does not apply to Core Vision.

Changing Between Plans

During annual enrollment, you may change between the Core, Basic and Enhanced plans. The frame amount, if applicable, will change each calendar year depending on what plan you are enrolled in. You may enroll in only one of the three benefit plans. If you need family coverage, you must enroll in the Basic or Enhanced plans.

Refractive Surgery Discount (All Plans)

Ophthalmology surgeons are being contracted to provide refractive surgery (RK, PRK and LASIK) at a 20% discount off their usual and customary surgical fees or a 10% to 15% discount off their total fees. Contact SVS at 1-800-507-3800 for information on this discount.

Coordination with the Health Care Flexible Spending Account (HCFSA)

Even if you do not elect vision coverage, you can still set aside money from your pay on a pre-tax basis and be reimbursed for out-of-pocket vision expenses under the HCFSA. See page 7 for more information.

The Superior Vision Services Plan is underwritten by National Guardian Life Insurance Company.

List of Providers

For a list of vision care providers, you may call the SVS toll-free number at 1-800-507-3800 or visit www.ncflex.org.

Using SVS Benefits with In-Store Discounts

SVS recognizes you may take advantage of the in-store promotions or coupons offered by some of our "in-network" providers. Your SVS benefits are not intended for use in conjunction with these types of offers, nor are the providers contractually obligated to provide discounts in addition to the insured benefit. The provider will allow one discount only:

- the discount to the insurance company (SVS); or
- the discount to you (the sale or coupon).

The choice you make is important. If you go through SVS, you become a beneficiary of the stated coverage. If you choose to utilize the sale or coupon, you pay for all charges in full and submit the receipts to SVS. The SVS reimbursement will be based on the "non-network" rates in your policy. The "in-network" status applies only to the provider when you utilize the insurance, not as a "cash" customer. This is why the "non-network" rates are applied to your reimbursement. Please contact SVS at 1-800-507-3800 for more information before making your purchase.

IMPORTANT NOTE:

This is only a summary of the benefit plan. All final determinations of benefits, administrative duties, and definitions are governed by the Certificate of Insurance. You may review and/or obtain a copy of the Certificate of Coverage by selecting "Certificates" under the "General Benefits Info" tab at www.ncflex.org.

Eligible Dependents

Eligible dependents include your spouse or unmarried dependent child(ren) up to age 26, regardless of student status.

Services Available Under Your Insured Benefit at Additional Cost

No-line bifocal lenses	Progressive power lenses
Slab-off lenses	Polished bevels or faceted lenses
Polycarbonate, polaroid, photochromic lenses	Oversized lenses (larger than 62mm)
Prism lenses	Cosmetic lenses
Tints on lenses (except Rose or Pink #1 or #2)	Frames priced higher than the contracted retail allowance
Scratch coating, UV coating, anti-reflective coating	

Available Discounts for Additional Purchases/ Services from Selected In-Network Providers

The discount benefit is available under all three plans and now provides discounts on the covered pair of frames and lenses.

Discounts are available on additional purchases of eyeglasses and contact lenses, ranging from 10% up to 30% off retail prices. Keep in mind, this additional materials discount will apply to any subsequent purchases of materials after you make your first insured purchase.

Wellness Tip

Protecting your eyes from harmful UV rays is as important as protecting your skin. Wear sunglasses and hats when out in the sun and glare!

Core Wellness Plan

- Comprehensive eye exam covered in full after $20 co-pay
- Frequency- once every calendar year
- See page 22 for discount features for materials
- Out-of-Network reimbursement: $19 - $24

Summary of Benefits

	Basic Plan (Exam & Materials- Plan 1)		Enhanced Plan (Exam & Materials- Plan 3- increased benefits)	
	In-Network	**Out-of-Network**	**In-Network**	**Out-of-Network**
Vision Exam	$20 Co-pay	Up to $44 Ophthalmologist $39 Optometrist	$20 Co-pay	Up to $44 Ophthalmologist; $39 Optometrist
Frames	Up to $125 retail plus 20% discount on overages*	Up to $50	Up to $175 retail plus 20% discount on overages*	Up to $81
Contact Lens Exam/Fitting	Standard: Covered in full after $20 co-pay Specialty: Covered up to $50 after $20 co-pay	Not Covered	Standard: Covered in full after $20 co-pay Specialty: Covered up to $50 after $20 co-pay	Not Covered
Single Vision	Covered in Full	$34	Covered in Full	$34
Bifocal		$48		$48
Trifocal		$64		$64
Lenticular		$88		$88
Lens Options/Upgrades*	**In-Network**		**In-Network**	
Standard Single Vision Lenses	20% off retail; out-of-pocket not to exceed:		20% off retail; out-of-pocket not to exceed:	
Scratch Coat (factory)	$13		$13	
UV Coating	$15		$15	
Standard Anti-Reflective Coat	$50		$50	
High Index 1.6	$55		$55	
Photochromic	$80		$80	
Polycarbonate	$40		$40	
Standard Lined Bifocal & Trifocal Lenses				
Scratch Coat (factory)	$13		$13	
UV Coating	$15		$15	
Standard Anti-Reflective Coat	$50		$50	
High Index 1.6	20% off retail		20% off retail	
Photochromic	20% off retail		20% off retail	
Polycarbonate	20% off retail		20% off retail	
Additional Services Available on Any Lens*	**In-Network**		**In-Network**	
Progressive	20% off difference b/w retail for desired lens and standard, lined, trifocal lens		20% off difference b/w retail for desired lens and standard, lined, trifocal lens	
Plastic Tints; Solid or Gradient	$25		$25	
Glass Coloring	$35		$35	
Power Over 4.00 D Sphere, 2.00 D Cylinder & 5.00 d Prism	20% off retail		20% off retail	
Cosmetic Finishing, Beveling, Edging & Mounting	20% off retail		20% off retail	
Miscellaneous Options	20% off retail		20% off retail	
Contact Lenses- In Lieu of Eyeglasses and Frames	**In-Network**	**Out-of-Network**	**In-Network**	**Out-of-Network**
Elective	Up to $120 retail	$100	Up to $150 retail	$100
Medically Necessary	Covered in Full	$210	Covered in Full	$210
Frequency of Services				
Vision Exam	Calendar Year		Calendar Year	
Contact Lens Fitting Exam	Calendar Year		Calendar Year	
Lenses	Calendar Year		Calendar Year	
Frames	Every 2 Calendar Years		Calendar Year	
Contact Lenses	Calendar Year		Calendar Year	
LASIK Discount	Vary by in-network provider: flat/fixed fee, 20% discount off surgical fees, or 10% to 15% discount off total fees	None	Vary by in-network provider: flat/fixed fee, 20% discount off surgical fees, or 10% to 15% discount off total fees	None
Materials Discount	10% to 30% on 1st pair and additional purchases	None	10% to 30% on 1st pair and additional purchases	None
Anti-Selection	2-year lockout		2-year lockout	
Contact Lens Formulary	No		No	

**From select Providers*

Materials Discount for Covered Pair of Eyeglasses*

Benefit Description	Discount
Frames *(Discounts do not apply when prohibited by manufacturer.)*	20% off the difference between the covered frame allowance and the retail prices of the selected frame
Lens Options/Upgrade	**Discount**
Standard Single Vision Lenses • Scratch Coat (factory)** • UV Coat • Standard AR Coat** • High Index 1.6** • Photochromics • Polycarbonate	20% off retail; your out-of-pocket will not exceed: • $13 • $15 • $50 • $55 • $80 • $40
Standard Lines Bifocal & Trifocal Lenses • Scratch Coat (factory)** • UV Coat • Standard AR Coat** • High Index 1.6*** • Polycarbonate*** • Photochromics***	20% off retail; your out-of-pocket will not exceed: • $13 • $15 • $50 • 20% off retail (with no out-of-pocket limit) • 20% off retail (with no out-of-pocket limit) • 20% off retail (with no out-of-pocket limit)
Additional Services available on any lens • Plastic Tints; Solid or Gradient • Glass Coloring • Power Over 4.00 D Sphere, 2.00 D Cylinder & 5.00 D Prism • Cosmetic Finishing, Beveling, Edging & Mounting • Miscellaneous Options	20% off retail; your out-of-pocket will not exceed: • $25 • $35 • 20% off retail (with no out-of-pocket limit) • 20% off retail (with no out-of-pocket limit) • 20% off retail (with no out-of-pocket limit)
Discounts for Use with Core Wellness Plan Superior Vision offers discounts on an unlimited number of materials. Please check with our website at www.superiorvision.com to find providers who will honor our discount features. • Additional exams • Frames and prescription lenses • Lens options, contacts, miscellaneous options • Disposable contact lenses	 • 30% off retail • 30% off retail • 20% off retail • 10% off retail

Discounts are subject to change without notice. Discounts do not apply if prohibited by the manufacturer. Contact lens fitting exams are not subject to discount features.

** Discounts available from specific providers only.*
*** Higher-end or brand-name lens upgrades are at an additional expense to member.*
**** An out-of-pocket limit does not apply to these lens upgrades or add-ons.*

Wellness Tip

Staying healthy starts with your eyes. A routine eye exam can lead to early identification of diabetes, high cholesterol, hypertension, and more.

This benefit does not require re-enrollment.

Critical Illness

New carrier
More benefits & coverage!

Critical Illness Insurance is administered by Allstate Benefits. The coverage pays a lump-sum benefit of up to $15,000 per diagnosis. You can use your benefit as you see fit.

Coverage

Allstate Critical Illness covers the following medical conditions:

Coverage Amount - $15,000	
Pays 100% of Benefit	**Pays 25% of Benefit**
Heart Attack	Carcinoma in Situ (non-invasive cancer)
Stroke	Coronary Artery Bypass Surgery
Major Organ Transplant	
Bone Marrow Transplant	
Invasive Cancer	
Paralysis	
End Stage Renal Failure	

Eligible Dependents

You must enroll to receive coverage for your dependents. Eligible dependents include your spouse or unmarried dependent child(ren) up to age 26, regardless of student status. If you and your spouse are both eligible to elect this coverage , only one of you may enroll for family coverage. An employee may not be covered both as an employee and as a dependent.

Meeting Your Needs

Our critical illness coverage helps offer financial support should a covered illness be diagnosed.

- No pre-existing conditions
- Guaranteed issue - no health questions required
- Benefits paid directly to you
- No waiting period for new diagnosis
- There is a maximum of 2 payouts per diagnosis. (12 month waiting period for reoccurence)
- Benefits for covered dependents are the same as covered employees

Did You Know...

*Every 34 seconds, an American will suffer a heart attack.**
*Every 40 seconds someone in the U.S. has a stroke.**

*http://www.criticalillnessinsuranceinfo.org/learning-center/critical-illness-coverage-facts.php

Monthly Cost

The monthly premium for you and/or your dependent spouse is based on the age of the covered employee as of January 1 of the current plan year.

RATE REDUCED!

Employee/Dependent Spouse

Age	Employee Monthly Rate	Spouse Monthly Rate
18-25	$1.30	$1.30
25 – 29	$1.40	$1.40
30 – 34	$2.60	$2.60
35 – 39	$4.10	$4.10
40 – 44	$7.40	$7.40
45 – 49	$12.00	$12.00
50 – 54	$18.60	$18.60
55 – 59	$27.80	$27.80
60 – 64	$42.60	$42.60
65 – 69	$64.20	$64.20
70 – 74	$84.40	$84.40
75 – 79	$101.40	$101.40
80 – 84	$119.50	$119.50
85+	$119.50	$119.50

Rates are based on five-year age bands and will increase when a covered person reaches a new age band.

Dependent Child(ren)	Monthly Rate
Up to age 26	No cost

Calculating Your Cost Example

Employee age is 43	$7.40
Spouse age is 39	$7.40
Three children (varying ages)	$0
Total Monthly Premium	$14.80

**For more information on the covered condition definitions, visit www.ncflex.org and review the disclosure statement or your individual Certificate.*

Benefit Payment Example

Covered Condition	Lump-Sum Benefit Payment Received
You have a heart attack	**$15,000**
3 months later, you are diagnosed with noninvasive cancer	**$3,750**
12 months later you have another heart attack	**$15,000**
2 months later you become paralyzed	**$15,000**
Total Payout	**Total = $48,750**

There is no maximum payout for this benefit.

Beneficiary

To designate a beneficiary please visit NCFlex.org. Click on the "Enroll Now" button and login to designate your beneficiary.

Tax Issues

Whenever a benefit claim is paid, a 1099 tax form will be sent to your home address in January of the following year. You should consult with your tax advisor regarding the possible effects of the purchase and/or receipt of benefits under Allstate Critical Illness Insurance on certain other coverage of benefit that you might have or that you might obtain.

Certificate of Coverage

The Certificate of Coverage provides complete details about the benefits and the limits and exclusions. For complete details, you must review the Certificates of Coverage located on www.ncflex.org.

Exclusions and Limitations

Exclusions and Limitations are as follows and may vary: We will not pay benefits for a critical illness that is, or is caused by, contributed to, by or results from:

1. Critical illness diagnosed prior to your effective date.
2. Active participation in a riot, insurrection or rebellion.
3. Intentionally self-inflicted injury or action.
4. Illegal activities or participation in an illegal occupation.
5. Suicide while sane, or self-destruction while insane, or any attempt at either.

Portability Privilege

The portability feature allows continuation of your critical illness coverage when your employment ends or the policy terminates, by paying premiums directly to Allstate Benefits.

Compare Your Options: Cancer vs. Critical Illness Coverage

Features	Cancer	Critical Illness	
Benefit	Reimburses actual expenses up to a specified amount	Pays lump sum benefit upon diagnosis	
Covered Illnesses	Cancer and 29 specified diseases such as Multiple Sclerosis, Sickle Cell Anemia, Hepatitis and Lyme Disease	• Heart Attack • Stroke • Major Organ Transplant • Bone Marrow Transplant • Invasive Cancer • Paralysis • End Stage Renal Failure • Carcinoma in Situ • Coronary Artery Bypass	$15,000 $15,000 $15,000 $15,000 $15,000 $15,000 $15,000 $3,750 $3,750
Wellness Benefit	Yes	No	
Dependent Coverage	Yes	Yes	
Coverage Continuation	Portable/Continuation	Continuation	
Rating Basis	Composite Rates (Flat rate for employee or family)	Rates based on 5-year age bands	
Advantages	• Wellness benefit paid for annual cancer screenings • Benefits paid directly to the insured to be used at their discretion • Covers cancer and 29 other diseases • Benefits payable for the treatment of skin cancer • No lifetime maximum on most payable benefits	• Lump-sum benefit is available immediately upon diagnosis and receipt of written proof of claim • Do not have to submit ongoing expense receipts • Pays even in the event of death • Benefits paid directly to the insured to be used at their discretion	

Guarantee Issue

This benefit does not require annual re-enrollment.

Cancer and Specified Diseases

NCFlex offers Cancer and Specified Disease Insurance through Allstate Benefits. It is hard to face the facts, but cancer will affect many of us — regardless of age, gender or lifestyle. While treatment has advanced the fight against cancer, it still occurs in slightly less than 1 in 2 men and in 1 in 3 women, according to Cancer Facts and Figures, American Cancer Society, 2015.

Coverage

You can choose between three plan options depending on your cancer insurance needs and specified diseases. All three plan options offer the same type of benefits and/or services. In most cases, however, the amount of coverage differs. The benefits under the Low, High and Premium Options are progressively higher than the previous option. Refer to the *"Summary of Benefits"* on page 26 for more details.

In addition to cancer coverage, this insurance pays benefits for 29 other specified diseases listed below:

- Amyotrophic Lateral Sclerosis (Lou Gehrig's Disease)
- Muscular Dystrophy
- Poliomyelitis
- Multiple Sclerosis
- Encephalitis
- Rabies
- Tetanus
- Tuberculosis
- Osteomyelitis
- Diphtheria
- Scarlet Fever
- Cerebrospinal Meningitis (bacterial)
- Brucellosis
- Sickle Cell Anemia
- Thallasemia
- Rocky Mountain Spotted Fever
- Legionnaire's Disease
- Addison's Disease
- Hansen's Disease
- Tularemia
- Hepatitis (chronic B or C)
- Typhoid Fever
- Myasthenia Gravis
- Reye's Syndrome
- Primary Sclerosing Cholangitis (Walter Payton's Liver Disease)
- Lyme Disease
- Systemic Lupus Erythematosus
- Cystic Fibrosis
- Primary Biliary Cirrhosis

Example

Joe's spouse is diagnosed with Leukemia and is confined to the hospital for 28 days in January for a stem cell transplant. She continued to be admitted to the hospital on and off until the end of May. The NCFlex High Cancer Plan paid Joe for the hospital confinements, stem cell transplant, inpatient drugs, attending physician, chemo, radiation, blood, wellness visit, anesthesia, transportation and the extended benefit. Over $42,000.00 was paid in claims from January through May.

Cost

The monthly premium you pay for cancer coverage is based on the plan you choose and whether you choose to cover yourself only or yourself and your family.

Cost (RATE REDUCED!)	Employee Only	Employee and Family
Low Option	$6.38	$10.56
High Option	$15.18	$25.16
Premium Option	$20.28	$33.54

Examples of Net Cost

Each plan option includes the Cancer Screening Benefit, which pays a benefit for each covered insured **annually** for taking certain tests, regardless of the cost of the test. In addition, since your monthly premium is subtracted from your pay before taxes, you receive tax savings.

The following are a few examples of how the Cancer Screening Benefit and the tax savings affect your total cost for your NCFlex Cancer Insurance.

Option	Annual Cost	Cancer Screening Benefit	Tax Savings (30% Tax Bracket)	NET Annual Cost
Low — Employee	$76.56 ($6.38/Month)	$25	$22.97	$28.59 ($2.38/ Month)
High — Family	$301.92 ($25.16/Month)	$200 (2 @ $100)	$90.58	$11.34 ($0.95/ Month)
Premium — Family	$402.48 ($33.54/Month)	$200 (2 @ $100)	$120.74	$81.74 ($6.81/ Month)

Exceptions and Limitations

Pre-Existing Condition — A pre-existing condition is a disease or physical condition for which medical advice or treatment was received by the covered person during the 12-month period prior to his or her effective date of coverage. Allstate Benefits does not pay benefits for a pre-existing condition during the 12-month period beginning on the date coverage starts. Any covered loss that is incurred after the 12-month period is payable.

For complete details on Exclusions and Limitations, see the Certificate of coverage located at **www.ncflex.org.**

Summary of Benefits

You must review the Certificates of Coverage for complete details regarding these benefits.

Benefit	Low Option	High Option**	Premium Option**
Cancer Prevention and Screening Benefit* (per calendar year/per covered insured)	$25	$100	$100
Continuous Hospital Confinement (per day) (up to 70 days for each period of continuous confinement)	$100	$200	$300
Extended Benefits** (per day after 70 days)	up to $100	up to $200	up to $300
Surgery** (per surgery, based on surgical schedule)	up to $1,500	up to $3,000	up to $4,500
Second Surgical Opinion**	up to $200	up to $400	up to $600
Anesthesia**	up to 25% of surgery benefit		
Ambulatory Surgical Center** (per day)	up to $250	up to $500	up to $750
Radiation/Chemotherapy** (per 12-month period)	up to $2,500	up to $7,500	up to $10,000
Inpatient Drugs and Medicine**	up to $25 per day while confined in the hospital		
Private Duty Nursing Services** (per day)	up to $100	up to $200	up to $300
New or Experimental Treatment**	up to $5,000 per 12-month period		
Blood, Plasma and Platelets** (per 12-month period)	up to $2,500	up to $7,500	up to $10,000
Physician's Attendance**	up to $50 per day		
At Home Nursing** (per day)	up to $100	up to $200	up to $300
Prosthesis**	up to $2,000 per amputation		
Ambulance**	up to $100		
Hospice Benefits:			
Freestanding Hospice Care Center** (per day)	up to $100	up to $200	up to $300
Hospice Care Team** (per day; limit 1 visit/day)	up to $100	up to $200	up to $300
Government or Charity Hospital (per day; in lieu of all other benefits in the policy, except the Waiver of Premium benefit)	$100	$200	$300
Outpatient Lodging** (day/per 12 months)	$50/$2000	$50/$2000	$50/$2000
Non-Local Transportation	pays coach fare or $0.40 per mile		
Family Member Lodging and Transportation (for one adult member of covered person's family)			
Lodging**	up to $50 per day; maximum 60 days		
Transportation**	round-trip coach fare on common carrier or $0.40 per mile		
Extended Care Facility** (per day)	up to $100	up to $200	up to $300
Physical or Speech Therapy**	up to $50 per day		
Comfort/Anti-Nausea**		up to $200 per calendar year	
Bone Marrow or Stem Cell Transplant			
Transplant other than non-autologous (per calendar year)	up to $500	up to $1,000	up to $1,500
Transplant for non-autologous; treatment of cancer or other specified disease; except Leukemia (per calendar year)	up to $1,250	up to $2,500	up to $3,750
Transplant for non-autologous; treatment of Leukemia (per calendar year)	up to $2,500	up to $5,000	up to $7,500
Waiver of Premium	premiums waived after 90 days of disability due to cancer for insured employee		

**Cancer Prevention and Screening Benefit includes: CA-15-3 (cancer antigen 15-3 blood test for breast cancer); CA125 (cancer antigen 125-blood test for ovarian cancer); CEA (carcinoembryonic antigen-blood test for colon cancer); chest x-ray; colonoscopy; flexible sigmoidoscopy; hemocult stool analysis; mammography; Pap smear; PSA (Prostate Specific Antigen blood test for cancer); and Serum Protein Electrophoresis (test for myeloma). This benefit is paid regardless of the result of the test.*

***These benefits are payable based on actual charges up to the maximum amount listed.*

Medicaid Information

For individuals who are eligible for Medicaid, this cancer insurance policy may not be the best choice for you. Benefits assigned under the policy are required to be assigned back to Medicaid.

Exclusions and Limitations — The policy does not pay for any loss except those due from cancer or a covered specified disease. A diagnosis must be submitted to support each claim.

Portability Privilege

The portability feature allows continuation of your cancer coverage when your employment ends or policy terminates, by paying premiums directly to Allstate Benefits.

Certificate of Coverage

The Certificate of Coverage provides complete details about the benefits and the limits and exclusions. For complete details, you must review the Certificates of Coverage located on www.ncflex.org.

This coverage does not constitute comprehensive health insurance coverage (often referred to as "major medical coverage") and does not satisfy the requirement of minimum essential coverage under the Affordable Care Act.

No EOI required for plan year 2016

Evidence of Insurability

Evidence of Insurability (EOI) is a way of providing proof of good health. This evaluation may include your current health status, medical history and family history. If you are required to submit EOI (see below), Allstate Benefits must approve your EOI before coverage becomes effective. You can access an EOI form by visiting the "Resources" section at www.ncflex.org. If you are enrolling online, you will be prompted to complete the EOI information.

Determining if EOI is Required

Newly Eligible:

- You may elect coverage on a guaranteed issue basis within 30 days. You do not need to provide Evidence of Insurability (EOI).
- The Certificate of Coverage provides complete details about the benefits and the limits and exclusions. For complete details, you must review the Certificates of Coverage located on www.ncflex.org.

Existing Employees:

- If you did not elect Cancer Insurance for your family when it was first offered to you, and you decide to enroll for coverage for the first time, you will need to submit EOI.
- If you did elect Cancer Insurance for yourself when it was first offered to you, and you have a qualifying event, you will not need to submit EOI as long as you enroll your newly eligible dependents within 30 days of the qualifying event.
- If you did not elect Cancer Insurance when it was first offered to you, and you decided to enroll for coverage for the first time, you will need to submit EOI.
- If you elect to increase your coverage during this enrollment or a later date, EOI will be required.

Submitting EOI

You will be prompted to complete the EOI information as part of the online enrollment process.

You must enroll to receive this no-cost benefit. This benefit does not require re-enrollment.

Core Accidental Death & Dismemberment

The Core Accidental Death and Dismemberment (AD&D) insurance plan is underwritten by A.C. Newman and Company on behalf of Gerber Life Insurance Company (Gerber). It can pay a benefit if you suffer a loss as the result of a covered accident while you are insured under the plan. It also pays a benefit if you suffer certain disabling injuries while covered. The coverage is effective 24 hours a day, 365 days a year. It includes accidents on or off the job, while traveling by car, plane, train, boat or any other public or private form of transportation, excluding while flying in any aircraft that is owned or leased by or on behalf of the State of North Carolina or aircraft being used for or in connection with fire fighting, exploration, pipe or power line inspection or aerial photography. This coverage is in addition to any other coverage you have under any other insurance policy.

Coverage

The amount of insurance provided to you, if elected, at no cost is called the Principal Sum.

Principal Sum	Cost for Employee
$10,000	$0.00

If you suffer any one of the losses listed on the chart below, as the result of a covered accident, the loss will be deemed a covered loss and paid, as listed. The maximum percentage paid for losses from any one accident is 100%.

Loss of	Percentage Principal Sum
Life	100%
Sight of Both Eyes	100%
Speech and Hearing of Both Ears	100%
Both Hands or Both Feet	100%
One Hand and One Foot	100%
Loss of Use of Four Limbs	100%
Loss of Use of Three Limbs	85%
Loss of Use of Two Limbs	75%
Loss of Use of One Limb	50%
Either Hand or Foot	50%
Sight of One Eye	50%
Speech or Hearing of Both Ears	50%
Hearing of One Ear	25%
Thumb and Index Finger of Same Hand	25%

Note: Loss of hand means complete, total and irrecoverable loss of use of a hand at or above the wrist. Loss of foot means complete, total and irrecoverable loss of use of a foot at or above the-ankle joint. Loss of sight is defined as complete, total and irrecoverable loss to the sight of an eye. Loss of thumb and index finger is defined as complete, total and irrecoverable loss of thumb and index finger at or above the knuckles. Loss of speech or hearing is defined as complete, total and irrecoverable loss of speech or hearing.

Coverage After Age 70

If you are actively at work at age 70 and beyond, the percentage of the amount payable declines as follows:

Age	Percentage of Full Benefit
70 – 74	65%
75 – 79	45%
80 – 84	30%
85 and older	15%

What is Excluded from Coverage

Please note that coverage will not be in place during an unpaid leave of absence. We will not pay a claim for a loss that is caused by or resulting from:

- suicide or self-inflicted injury; whether sane or not (in Missouri, while sane);
- bacterial infection, except those which occur with a cut or wound at the time of an accident;
- any kind of disease;
- medical or surgical treatment (except surgical treatment required by the accident);
- war or any act of war;
- injury sustained while riding as a pilot, operator or crew member of any aircraft;
- injury sustained while in any of the armed forces (land, sea or air) of any country or international authority, except while on temporary domestic National Guard or Reserve duty for less than 30 days;
- voluntarily taking any drug, chemical or controlled substance, unless taken as prescribed by a licensed physician;
- committing or attempting to commit a felony; or
- operating any vehicle with a blood alcohol level greater than the legal limit.

Worldwide Emergency Travel Assistance Services

These services are provided by Assist America, Inc. to arrange and pay for the following when a medical emergency happens more than 100 miles from your home or in a foreign country:

Worldwide Emergency Travel Assistance services are provided by Assist America, Inc. and are available to only you.

Trips exceeding 90 days from legal residence are excluded (unless separate Expatriate coverage is purchased). Call 800-257-0930 for more information.

Other exclusions, limitations and prior notice requirements may apply, and service features, terms and eligibility criteria are subject to change. The service is not valid after termination of the coverage and may be withdrawn at any time.

- Medical Consultation, Evaluation & Referral
- Hospital Admission Guarantee
- Emergency Medical Evacuation
- Critical Care Monitoring
- Medically Supervised Repatriation
- Prescription Assistance
- Emergency Message Transmission
- Transportation to Join Patient
- Care for Minor Children
- Return of Mortal Remains
- Emergency Trauma Counseling
- Lost Luggage or Document Assistance
- Interpreter & Legal Referrals
- Pre-Trip Information

Wellness Tip

Healthy sleep patterns can reduce our chances of causing a traffic accident.

Benefit Highlights of Core AD&D and Voluntary AD&D

	Core AD&D	Voluntary AD&D	
	Employee Only	Employee Only	Family
Your Cost Per Month (if elected)	$0.00	$1.90*	$3.00*
Your Benefit Amount	$10,000	$100,000 *	$100,000*
Enroll During Annual Enrollment	✓	✓	✓
Accidental Death & Dismemberment	✓	✓	✓
Accidental Loss of Use	✓	✓	✓
Assist America Worldwide Emergency Travel Assistance Services	✓	✓	✓
Rehabilitation Benefit		✓	✓
Common Disaster Benefit		✓	✓
Coma Benefit		✓	✓
Accidental In-Hospital Indemnity		✓	✓
Seat Belt Benefit		✓	✓
Air Bag Benefit		✓	✓
Criminal Assault Benefit		✓	✓
War Risk Benefit		✓	✓
Accidental Permanent Disfigurement Benefit		✓	✓
Accidental HIV Benefit		✓	✓
Custodial Care Benefit		✓	✓
Therapeutic Counseling Benefit		✓	✓
Adaptive Home & Vehicle Benefit		✓	✓
Funeral Expense Benefit		✓	✓
Surgical Reattachment Benefit		✓	✓
Conversion		✓	✓
Portability		✓	✓
Coverage for Your Spouse			✓
Survivor's Benefit			✓
College Education			✓
Spouse Training Benefit			✓
Coverage for Your Dependent Children			✓

See page 30 for complete information about the Voluntary AD&D benefit.

**$100,000 benefit amount is one example. Other benefit amounts are available from $50,000 to $500,000.*

Voluntary Accidental Death & Dismemberment

This benefit does not require annual enrollment

The Voluntary Accidental Death and Dismemberment (AD&D) insurance plan is underwritten by A.C. Newman and Company on behalf of Gerber Life Insurance Company (Gerber). It can pay a benefit if you suffer a loss as the result of a covered accident while you are insured under the plan. It also pays a benefit if you suffer certain disabling injuries while covered.

The coverage is effective 24 hours a day, 365 days a year. It includes accidents on or off the job, while traveling by car, plane, train, boat or any other public or private form of transportation, including while flying in any aircraft that is owned or leased by or on behalf of the State of North Carolina as a passenger, pilot or crew member.

The benefit amounts are shown below. **If you and your spouse are both eligible to elect this coverage as state agency, university or select community college employees, you both may elect to participate as employees, but only one may enroll for employee and family coverage.** The spouse who elects employee and family coverage will not have coverage for his or her spouse, only children. An employee may not be covered as both an employee and a dependent.

Monthly Cost and Principal Sum

The amount of insurance you purchase is called the Principal Sum. You may select one of the following Principal Sums for yourself:

Principal Sum	Cost for Employee Only	Cost for Employee & Family	Principal Sum	Cost for Employee Only	Cost for Employee & Family
$50,000	$0.96	$1.50	$200,000	$3.80	$6.00
$75,000	$1.42	$2.26	$250,000	$4.76	$7.50
$100,000	$1.90	$3.00	$300,000	$5.70	$9.00
$125,000	$2.38	$3.74	$350,000	$6.64	$10.50
$150,000	$2.86	$4.50	$400,000	$7.60	$12.00
$175,000	$3.32	$5.26	$500,000	$9.50	$15.00

Family Principal Sum

In addition to insurance for yourself, you can elect to purchase insurance for your spouse and unmarried dependent children (see *Eligible Dependents* page 31). If you elect family coverage, your family member's Principal Sum will be a percentage of your Principal Sum.

Family Members	Percentage of Your Benefit Payable
Spouse only	60%
Spouse and children	50% spouse; 10% each child
Children only	15% each child

Coverage

If you or one of your covered dependents suffers any one of the losses listed on the chart below, as the result of a covered accident, the loss will be deemed a covered loss and a benefit will be paid, based on the applicable Principal Sum. The maximum percentage paid for losses from any one accident is 100%.

Loss of	Percentage Principal Sum
Life	100%
Sight of Both Eyes	100%
Speech and Hearing of Both Ears	100%
Both Hands or Both Feet	100%
One Hand and One Foot	100%
Loss of Use of Four Limbs	100%
Loss of Use of Three Limbs	85%
Loss of Use of Two Limbs	75%
Loss of Use of One Limb	50%
Either Hand or Foot	50%
Sight of One Eye	50%
Speech or Hearing of Both Ears	50%
Hearing of One Ear	25%
Thumb and Index Finger of Same Hand	25%

Note: Loss of hand means complete, total and irrecoverable loss of use of a hand at or above the wrist. Loss of foot means complete, total and irrecoverable loss of use of a foot at or above the ankle joint. Loss of sight is defined as complete, total and irrecoverable loss to the sight of an eye. Loss of thumb and index finger is defined as complete, total and irrecoverable loss of thumb and index finger at or above the knuckles. Loss of speech or hearing is defined as complete, total and irrecoverable loss of speech or hearing.

Coverage After Age 70

If you are actively at work at age 70 and beyond, the percentage of the amount payable declines as follows:

Age	Percentage of Full Benefit
70 – 74	65%
75 – 79	45%
80 – 84	30%
85 and older	15%

Additional Benefits

If insured under the plan, the following benefits are available to you as part of your Voluntary Accidental Death and Dismemberment coverage. For more information, please visit www.ncflex.org and view the Voluntary AD&D certificate.

- Enhancement for Children* *(family option only)*
- Surgical Reattachment Benefit
- Coma Benefit
- Accidental HIV Benefit
- Critical Burn/Permanent Disfigurement Benefit
- Rehabilitation Benefit*
- Therapeutic Counseling Benefit*
- Adaptive Home & Vehicle Benefit*
- Accidental In-Hospital Indemnity Benefit*
- Custodial Care Benefit*
- Seat Belt Benefit*
- Air Bag Benefit*
- Criminal Assault Benefit*
- Common Disaster Benefit*
- Funeral Expense Benefit*
- Survivor's Benefit* *(family option only)*
- College Education Benefit* *(family option only)*
- Spouse Training Benefit* *(family option only)*
- Child Care Center Benefit* *(family option only)*
- Disability Waiver of Premium
- **Worldwide Emergency Travel Assistance Services (extends to enrolled family members; see page 30 for detailed description)**

Eligible Dependents

Unmarried dependent children include your stepchildren, adopted children, foster children or any other children related by blood or marriage who are under age 26, reside with you and depend on you for support and maintenance. Unmarried dependent children also include children of any age who depend on you for support and maintenance due to having a mental or physical handicap (see certificate for complete definition).

What is Excluded from Coverage

We will not pay a claim for a loss that is contributed to by, caused by or resulting from:

- suicide or self-inflicted injury; whether sane or not (in Missouri, while sane);
- bacterial infection, except those that occur with a cut or wound at the time of accident;
- any kind of disease;
- medical or surgical treatment (except surgical treatment required by the accident);
- war or any act of war occurring in your country of domicile, the United States, Iraq or Afghanistan;
- injury sustained while riding as a pilot or crew member of any aircraft, except State pilots and crew members flying aboard State-owned aircraft;
- injury sustained while in any of the armed forces (land, sea or air) of any country or international authority except while on temporary domestic National Guard or Reserve duty for less than 30 days;
- voluntarily taking any drug, chemical or controlled substance, unless taken as prescribed by a licensed physician;
- committing or attempting to commit a felony;
- operating any vehicle with a blood alcohol level greater than the legal limit; or
- being intoxicated or under the influence of any narcotic unless administered on the advice of a physician.

Continuation Options

Continuation of Voluntary AD&D and Travel Assistance Services are available. For more information, please visit www.ncflex.org and view the continuation options form.

**Additional benefits apply only if there has been a covered loss as shown on page 30.*

This benefit does not require re- enrollment

Group Term Life

NCFlex is offering Voluntary Group Term Life Insurance administered by Voya Financial and underwritten by ReliaStar Life Insurance Company, a member of the Voya family of companies.

Voluntary Group Term Life Insurance pays a benefit to your beneficiary(ies) if you die while covered under the policy. Please note that this is strictly a life insurance policy that provides a benefit if you die. There is no accumulated cash value.

Coverage Options

Employee & Spouse*

- $20,000 to a maximum of $500,000 in $10,000 increments

(*spouse coverage cannot exceed 100% of employee's elected amount*)

Child(ren)*

- $10,000 without EOI for 2016

*Employee must be enrolled to cover spouse/child(ren).

Enrollment/Evidence of Insurability Options

Evidence of Insurability (EOI) may be required when enrolling in this plan to determine if coverage will be granted. EOI consists of health questions that may include your current health status, medical history and family medical history.

New Employee - may elect $20,000 up to $100,000 on yourself and $20,000 up to $50,000 on your spouse without EOI.

Existing Employee - if you/your spouse are not currently enrolled in the group term life coverage during this annual enrollment period, you /your spouse may purchase $20,000 of coverage on a guaranteed issue basis (if you were not previously denied coverage). Amounts over $20,000 require EOI.

If you/your spouse are currently enrolled in Group Term Life, you may add $10,000 of additional coverage at each annual enrollment up to the guaranteed issue amount of $100,000 for employees and $50,000 for spouse (no EOI required).

Child(ren) coverage - may elect $10,000 without EOI for 2016.

Submitting EOI

If EOI is required, Voya Financial will mail the appropriate EOI form to the employees' address on file. This form must be completed, signed and returned to Voya Financial for review.

Monthly Cost and Coverage

The monthly premium for you and/or your dependent spouse is based on the age of the covered employee as of January 1 of the current plan year. The following chart outlines the cost of coverage per $1,000 increment based on age.

Employee/Dependent Spouse

Your Age	Monthly Rates*/ $1,000 Coverage	Monthly Cost for Sample Coverage Amounts		
		$20,000	$50,000	$100,000
0 – 24	0.050	1.00	2.50	5.00
25 – 29	0.060	1.20	3.00	6.00
30 – 34	0.080	1.60	4.00	8.00
35 – 39	0.090	1.80	4.50	9.00
40 – 44	0.100	2.00	5.00	10.00
45 – 49	0.150	3.00	7.50	15.00
50 – 54	0.250	5.00	12.50	25.00
55 – 59	0.460	9.20	23.00	46.00
60 – 64	0.720	14.40	36.00	72.00
65 – 69	1.480	29.60	74.00	148.00
70 – 74	2.200	44.00	110.00	220.00
75+	2.200	44.00	110.00	220.00

Child(ren)

$5,000 per 0.68 per dependent unit

$10,000 per 1.36 per dependent unit

If electing employee only coverage, premiums will be deducted on a pre-tax basis.

If electing employee plus dependent coverage, premiums for the employee and dependent(s) will be deducted on a post-tax basis.

Underwritten by ReliaStar Life Insurance company, policy form LPOOGP. Rates shown are guaranteed until 12/31/2017.

When Coverage Begins

Newly Eligible:
If you are a new hire and enroll for coverage of $100,000 or less, your coverage will begin on the first day of the month following your date of hire. You must enroll within 30 days of your hire date.

If you have to submit EOI as part of your enrollment, your coverage will begin the first of the month on or following the date your EOI is approved.

Existing Employees:
Annual Enrollment: If you enroll for coverage during annual enrollment and your EOI is approved prior to January 1, your coverage will be effective January 1, 2016. If your EOI date of approval is after January 1, 2016, your coverage will be effective on the first of the month following the date your EOI is approved.

If you are on disability, you may enroll when you return to active status.

Life Event: If EOI is not required, coverage begins on the 1st of the month following the life event. If EOI is required, coverage begins on the 1st of the month following the date your EOI is approved.

Disability Waiver of Premium

If you become totally disabled prior to age 60, as defined under the policy and satisfy certain conditions, ReliaStar Life waives the life insurance premium that becomes due while you are totally disabled. (This includes spouse and child(ren) coverage.)

Premiums are waived until the earlier of:

- the date you are no longer disabled;
- the date you do not give ReliaStar Life proof of total disability when asked; or
- the date you turn age 70.

Your Benefit After Age 75

Your benefit will be reduced to 50% if you are still employed with NC State Government.

Note: Once the coverage is reduced due to age, the insured is no longer able to increase coverage.

Expanded Accelerated Death Benefit

The policy allows you to collect a portion of your benefit amount if you become terminally ill and are expected to live six months or less. You may collect 50% of your benefit up to a maximum of $250,000. The remaining benefits will be paid to the beneficiary after death.

- **When diagnosed with a terminal illness:** if you have been diagnosed with a terminal illness and have fewer than 6 months to live, you can receive 50 percent of the death benefit while living.
- **When diagnosed with a condition requiring continuous confinement:** If you have a medical condition that is reasonably expected to require continuous confinement in an institution, and you are expected to remain there for the rest of your life, you can receive 50% of the death benefit while living.

Exclusion

The policy has a suicide exclusion. Your claim will be denied if you have been covered under the Voluntary Group Term Life Insurance policy for less than two years and a claim is filed for death by suicide. Your beneficiary(ies) will not receive a benefit; however, ReliaStar Life will refund premiums paid.

Portability

You may continue your term life insurance coverage under the NCFlex Voluntary Group Term Life Insurance policy if you terminate employment or retire prior to age 70 (without a physical examination) with the same terms and conditions. Premium rates for portable term life insurance are generally less expensive than the whole life insurance conversion rate.

Active coverage at age 70 or retirement after age 75 will be eligible for conversion ONLY.

Conversion

Upon termination/retirement, you may convert your term life insurance coverage to an individual whole life policy without a physical examination, regardless of age. The whole life policy builds cash value and the premiums do not change as you get older. You pay the full cost of individual policy coverage, plus a billing fee. Premium rates for life insurance conversion are generally more expensive than portable life insurance rates.

Wellness Tip

Don't forget to periodically review and update your beneficiaries!

TRICARE Supplement Plan

Benefit for the military community. This benefit does not require re-enrollment.

What is TRICARE Supplement Plan?

TRICARE Supplement is administered by Selman & Company and underwritten by Transamerica Premier Life Insurance Company.

If you currently have TRICARE Standard/Extra, Prime or TRS benefits offered to the Military Community, you may be eligible and interested in the TRICARE Supplement Plan. This plan pays a benefit for costs not covered by TRICARE.

This plan pays the cost TRICARE leaves behind.

There are no pre-existing conditions or deductibles.

Who is Eligible?

Employees must follow the NCFlex eligibility guidelines and who are retired uniform service members eligible for TRICARE Standard/Extra, Prime or TRS and are not eligible for Medicare, including:

- Retired military entitled to retired or retainer pay
- Retired reserve members between the ages of 60 and 65 and entitled to retired and retainer pay
- Retired Reserve members under age 60 and enrolled in TRICARE Retired Reserve (TRR)
- Spouses/surviving spouses of the above
- Retired military personnel, spouse/surviving spouse age 65 or older and resides outside the U.S. or its territories (must be enrolled in Medicare)
- Retired military personnel, spouse/surviving spouse age 65 or older and ineligible for Medicare (must have Statement of Disallowance form Social Security Administration)
- TRICARE Reserve Select (TRS) members and their eligible dependents

Eligible Dependents Include

- Unmarried dependent children up to age 21 or if the child is a full-time student, up to age 23. Documentation that a child, age 21-22, is a full time-student must be provided
- Incapacitated dependents are covered after age 21, 23 or 26, if the child(ren) are dependent on the member for primary support/maintenance and eligible for TRICARE. Proof of continued incapacity and dependency is required. Documentation must be provided.
- Adult dependent children who are younger than 26 and who are enrolled in TRICARE Young Adult (TYA). The child must be a copy of his TYA Enrollment ID card to Selman & Company.

Eligible individuals must be registered with the Defense Enrollment Eligibility Reporting System (DEERS) and must not be eligible for Medicare. An individual who is unsure if he/she is eligible for TRICARE should confirm eligibility with DEERS before enrolling in the TRICARE Supplement. If a dependent's Military ID card has expired or if information has changed (i.e., address corrections), call DEERS at (800) 538-9552.

How the TRICARE Supplement Works with TRICARE

TRICARE and the TRICARE Supplement Plan are separate plans. However, these plans work together to maximize your benefits and minimize your out-of-pocket expenses. Not all services are covered by TRICARE and the TRICARE Supplement Plan. For a complete list of covered services under TRICARE, please visit www.tricare.mill.

Monthly Cost

Coverage Tier	Cost
Employee Only	$60.50
Employee + Child(ren)	$119.50
Employee + Spouse	$119.50
Employee + Family	$160.50

Summary of Benefits

Care Required	TRICARE Standard/Extra Pays	After TRICARE Standard/ Extra Pays, the Supplement Pays	TRICARE PRIME or Point-of-Service (POS) Pays	After TRICARE/Prime/POS Pays, the Supplement Pays
INPATIENT FACILITY SERVICES in civilian hospitals for RETIREES and their dependent family members (room, board, supplies and staff services billed by the hospital).	The TRICARE Standard DRG *** allowed amount (contracted rate for TRICARE Extra minus your cost share.	The lesser of $708 per day or 25% of the billed amount, not to exceed the TRICARE Standard DRG amount (lesser of $250 per day or 20% cost share of the contracted rate for TRICARE Extra).	**PRIME -** All but the Prime copayments. **POS -** 50% of the TRICARE allowed amount after the deductible has been met.	**PRIME -** All the Prime copayments. **POS -** The 50% POS cost share.
INPATIENT PROFESSIONAL SERVICES in civilian hospitals for RETIREES and dependent family members (doctors and other inpatient services not billed by the hospital).	75% of the TRICARE Standard allowed amount (80% for TRICARE Extra) for doctors and other professional services.	Your 25% Standard/20% Extra cost share.	**PRIME -** All but the Prime copayments. **POS -** 50% of the TRICARE allowed amount after the deductible has been met.	**PRIME -** All but the Prime copayments. **POS -** The 50% POS cost share.
Inpatient care in military hospitals.	All but the daily subsistence fee.	The daily subsistence fee.	The daily subsistence fee.	The daily subsistence fee.
OUTPATIENT CARE FOR RETIREES and their dependent family members (office visits, clinics, lab, etc.)	75% of the TRICARE Standard allowed amount (80% for TRICARE Extra) after you pay the TRICARE Outpatient Deductible.	Your 25% Standard/20%Extra cost share and 100% of the TRICARE Outpatient Deductible* of $150 per person or $300 per family PLUS 100% of Covered Excess Charges.	**PRIME -** All but the Prime copayments. **POS -** 50% of the TRICARE allowed amount after the deductible has been met.	**PRIME -** All Prime copayments. **POS -** The 50% POS cost share and 50% of POS deductible* of $300 per person or $600 per family PLUS 100% of the Covered Excess Charges.
PRESCRIPTION DRUGS (civilian network pharmacy) - up to a 30 -day supply	All but the $8 generic; $20 brand name or $47 non-formulary copayment.	All copayments.	**PRIME -** All but the Prime copayments.	**PRIME -** All copayments.
PRESCRIPTION DRUGS (home delivery) - up to a 90 - day supply	All but the $16 brand name or $46 non-formulary copayment.	All copayments.	**PRIME -** All but the Prime copayments.	**PRIME -** All copayments.
PRESCRIPTION DRUGS (civilian non network pharmacy) - up to a 30 -day supply	All but the TRICARE deductible and $20 (20% generic/brand name) or $47 (20% non-formulary) copayment, whichever is greater?	$20 generic/brand ($47 for non-formulary) or 20% of total cost and 100% of the TRICARE Outpatient Deductible of $150 per person, $300 per family.	**POS -** 50% of the TRICARE allowed amount after the TRICARE deductible has been met.	**POS -** The 50% POS cost share and 50% of POS deductible* of $300 per person or $600 per family.

**Reimbursement toward the fiscal year TRICARE Standard Outpatient Deductible is made only if the deductible is incurred after the effective date of coverage.*

****Diagnosis Related Group - established standard hospitality stays for categories of medical conditions.*

Note: The TRICARE Supplement Plan pays virtually 100% of the TRICARE approved expenses after TRICARE has paid.

Note: Benefits are payable for covered cost share amounts up to the TRICARE Catastrophic Cap. Exclusions vary by state and underwriters. See your Certificate for complete details.

Note: The TRICARE Supplement Plan is HIPAA compliant.

Note: This is not Medicare Supplement Insurance.

Summary of Benefits Continued

There is no deductible for this plan and it covers 100% of the TRICARE Standard deductible or 50% of the TRICARE POS deductible.

Please note that the TRICARE Supplement Plan follows the eligibility requirements of TRICARE. Since this is a Supplement to TRICARE, the rules and procedure of TRICARE must be followed.

Continuation of Coverage

Employees who terminate employment may continue coverage by paying their monthly premiums directly to Selman & Company. A Continuation of Coverage letter will be mailed to the terminating employee within 5 business days of receipt of the termination date received from the employer.

Premium payments will be offered at the same rates offered through their previous employer. There is no separate administrative fee required.

Continuation of coverage **does not** apply to an employee, spouse or dependent child who no longer meets the TRICARE Supplement Plan eligibility requirements, e.g., an employee or spouse who attains age 65 and has Medicare as primary coverage or a dependent child who reaches age 21/23 and has not enrolled in the TRICARE Young Adult (TYA) program or is listed in DEERS.

How to Contact Us

Customer Service Call Center:	1-800-638-2610, Option 1
	Monday - Friday from 9:30 a.m. - 7:00 p.m.
	E-mail: memberservices@selmanco.com
	Website: www.selmantricareresource.com

Continuation Coverage (COBRA)

It is important that all covered individuals (employee, spouse and dependent children) read this notice carefully and understand its contents.

The Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA) allows you and/or your dependents to continue your current NCFlex Dental, Vision Care, Cancer and HCFSA coverage for a specific period of time when coverage is lost due to a qualifying event. You must pay the required cost of coverage.
The following chart shows the coverage provisions — **except the duration of coverage for the HCFSA, which can only be continued to the end of the plan year**.

Qualifying Event	Qualified Beneficiaries Who May Continue Coverage*	Duration of Coverage	Monthly Cost**
Your employment ends for any reason other than gross misconduct	you, spouse, dependent children	up to 18 months	102%
You lose benefit eligibility due to reduction in hours	you, spouse, dependent children	up to 18 months	102%
During the first 60 days of COBRA coverage, you or your dependent becomes disabled under the Social Security Act	you, spouse, dependent children	up to 29 months: months 1 – 18... months 19 – 29...	102% 150%
You divorce or legally separate	ex-spouse and/or dependent children	up to 36 months from initial qualifying event	102%
Your dependent children lose eligibility	dependent children	up to 36 months from initial qualifying event	102%
You become covered by Medicare	spouse and/or dependent children	up to 36 months from initial qualifying event	102%
You die	spouse and/or dependent children	up to 36 months from initial qualifying event	102%

**You, your spouse and your dependent children are only eligible to continue the coverage that you, your spouse and/or dependent children have on the date of the qualifying life event.*

***The cost to continue cancer coverage is 100% of the monthly premium.*

****The cost to continue dental coverage is 102% of the contracted premium rate.*

Note: *Under no circumstance may the total amount of continuation coverage exceed 36 months (or to the end of the plan year for the HCFSA) from the initial qualifying life event date.*

Election Process

Under COBRA, you or your covered dependents have the responsibility to inform your HBR or benefits department within 60 days of a divorce, a legal separation, a child losing dependent status under the plan or upon receiving a written Social Security determination letter stating that a qualified beneficiary was disabled at the time of your termination, reduction in hours or during the first 60 days of your COBRA coverage. If you do not notify your Health Benefit Representative or department within 60 days of these events and before the original 18-month COBRA period expires, then your rights to continuation coverage will end. Your Health Benefit Representative or department has the responsibility to notify the NCFlex carriers of the employee's death, termination of employment, reduction in hours or upon receiving notice of Medicare entitlement.

After receiving notice of a qualifying event, a COBRA notice and election form will be sent to you by the appropriate carrier. If you are interested in continuing your NCFlex coverage, you must return a completed election form (signed and dated) to the appropriate carrier (address listed on the COBRA notice) within 60 days from the later of the date coverage is lost or from the date of the COBRA notification. If you fail to meet this deadline, your COBRA rights will end.

Premium Payments

There is an initial grace period of 45 days starting with the date you elect continuation coverage to pay any premiums, which are due from the date of the qualifying event to the current month. After the initial 45-day grace period, full premium payments are due on the first day of each month for that month's coverage and must be received no later than 30 days after that due date.

The COBRA payment address and instructions will be included in the COBRA materials you receive from the carrier.

COBRA Ending Date

COBRA coverage continues until the earliest of the following:

- your maximum amount of continuation coverage ends (see chart on page 35);
- the State of North Carolina no longer provides that coverage to any employee under the NCFlex Program;
- your premium for continuation coverage is not paid in full by the due dates listed;
- the qualified beneficiary becomes covered (after the date he/she elects COBRA coverage) under another similar group health plan, which does not contain any exclusion or limitation with respect to any pre-existing condition he or she may have; or
- the qualified beneficiary extends coverage for up to 29 months due to disability, and there has been a final determination that the individual is no longer disabled.

If you or your covered dependents have any questions about your COBRA rights or have changed addresses or marital status, please contact the appropriate carrier (carriers' addresses and telephone numbers are listed on the back of this guide).

Federal Requirements

NCFlex and its carriers administer the dental, vision care and cancer benefits, as well as the HCFSA in accordance with the HIPAA Privacy requirements. A HIPAA Privacy Notice is provided to participants by the carriers of each plan and is also available on the www.ncflex.org website.

Notes Page

Notes Page

CONTACT INFORMATION

NCFlex
www.ncflex.org
- NCFlex benefits information
- Claim forms
- Certificates of Coverage

FLEXIBLE SPENDING ACCOUNTS

P&A Group
ncflex.padmin.com
Mail claims to:
17 Court Street,Suite 500
Buffalo, NY 14202
Fax claims to:1-877-213-8917
1-866-916-3475
M-F 8 a.m.- 10 p.m.(ET)
- Eligible and ineligible HCFSA and DDCFSA expenses
- Status of HCFSA and DDCFSA claims
- When to expect your reimbursement
- Claim forms may be downloaded from www.ncflex.org

DENTAL

United Concordia
www.unitedconcordia.com
Mail claims to:
United Concordia Dental Claims
PO Box 69421
Harrisburg, PA 17106
1-800-291-8039
M-F 8 a.m.- 8 p.m.(ET)
Automated service available 24/7
- Find a dentist (www.unitedconcordia.com)
- Questions regarding your claims
- Request ID cards

VISION

Superior Vision
www.superiorvision.com
11101 White Rock
Rancho Cordova, CA 95670
Fax:1-800-777-1811
1-800-507-3800
M-F 8 a.m.- 9 p.m.(ET)
Sat 11 a.m.- 4:30 p.m.(ET)
- Vision care providers (see www.ncflex.org)
- Questions about plan options
- Request ID cards
- Questions about claims or benefits

TERM LIFE INSURANCE

Voya
www.voya.com
Mail EOI forms to:
LifeHelp
PO Box 492517
Redding, CA 96049
1-877-464-5111
M-F 9 a.m.- 6 p.m.(ET)
- Voluntary Group Term Life Insurance coverage questions

AD&D

A.C. Newman & Company
(Gerber Life Insurance Company)
Worldwide Emergency Travel Assistance Services
www.assistamerica.com
1-800-257-0930
M-F 9 a.m.- 5 p.m.(ET)
- Core AD&D Insurance coverage questions
- Voluntary AD&D Insurance coverage questions
- Worldwide Emergency Travel Assistance Services

CANCER & CRITICAL ILLNESS

Allstate Benefits (AB)
(American Heritage Life Insurance Company)
www.AllstateBenefits.com
Mail claims to:
Claims Department
1776 American Heritage Life Drive
Jacksonville, FL 32224-6688
For claims questions and customer service:
1-866-232-1517
M-F 9 a.m. - 6 p.m.(ET)
- Cancer/Specified Disease Insurance questions
- Critical Illness questions
- Claim forms may be downloaded from www.ncflex.org

NCFLEX
STATE INSURANCE PLANS

ncflex.org

If you are not interested in any of the NCFlex State Insurance Plans, please help us hold down costs by returning this guide to your Health Benefit Representative or the Office of State Human Resources via interoffice mail at the following routing code:

Flexible Benefits Program - Office of State Human Resources
1331 Mail Service Center
Raleigh, NC 27699-1331
Courier 51-01-03