



PNCE
Health and Welfare Trust

**Employee Benefit Plans
for Members of**

**American Council of
Engineering Companies of
Oregon
And
Washington**

January 1, 2011

PROVIDED BY:



Insurance Services
Risk Management
Employee Benefits

OR Licence 820349



Letter from the Trustees

We are pleased to offer a comprehensive benefit program run by members of the American Council of Engineering Companies of Oregon and Washington on behalf of member employers and their employees residing within the states of Oregon and Washington as well as for their member employees located nationally and internationally. For over fifty years, the Pacific Northwest Consulting Engineers Health and Welfare Trust has provided competitive benefits to member firms and has used its assets to reduce costs or to generate premium holidays. It is the Trust's mission to provide competitive benefits and to assure quality healthcare choices for member firms of the American Council of Engineering Companies of Oregon and Washington.

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BENEFITS AT A GLANCE

MEDICAL	Administered by Regence BlueCross BlueShield of Oregon
(maximum coinsurance includes the deductible)	<p><u>Plan 3/Innova:</u></p> <ul style="list-style-type: none"> - \$300 deductible - \$20 Category 1 copay; \$35 Category 2 copay; 70% coinsurance Category 3 - 90% coinsurance Category 1; 70% coinsurance Category 2 & 3 - \$1,000 out of pocket maximum coinsurance - Prescription drug copays are \$10 for generic, \$35 for preferred brand and \$50 for non-preferred brand <p><u>Plan5/Innova</u></p> <ul style="list-style-type: none"> - \$500 deductible - \$20 Category 1 copay; \$35 Category 2 copay; 60% coinsurance Category 3 - 80% coinsurance Category 1; 60% coinsurance Category 2 & 3 - \$2,000 out of pocket maximum coinsurance - Prescription drug copays are \$10 for generic, \$35 for preferred brand and \$50 for non-preferred brand <p><u>Plan 5 Value/Innova</u></p> <ul style="list-style-type: none"> - \$500 deductible - \$20 Category 1 copay; \$35 Category 2 copay; 50% coinsurance Category 3 - 70% coinsurance Category 1; 50% coinsurance Category 2 & 3 - \$3,000 out of pocket maximum coinsurance - Prescription drug copays are \$10 for generic, \$35 for preferred brand and \$50 for non-preferred brand - There is no alternate care benefit with this option <p><u>Plan 7/Innova</u></p> <ul style="list-style-type: none"> - \$750 deductible - \$20 Category 1 copay; \$35 Category 2 copay; 60% coinsurance Category 3 - 80% coinsurance Category 1; 60% coinsurance Category 2 & 3 - \$2,000 out of pocket maximum coinsurance - Prescription drug copays are \$10 for generic, \$35 for preferred brand and \$50 for non-preferred brand <p><u>Plan 7 Value/Innova</u></p> <ul style="list-style-type: none"> - \$750 deductible - \$20 Category 1 copay; \$35 Category 2 copay; 50% coinsurance Category 3 - 70% coinsurance Category 1; 50% coinsurance Category 2 & 3 - \$3,000 out of pocket maximum coinsurance - Prescription drug copays are \$10 for generic, \$35 for preferred brand and \$50 for non-preferred brand - There is no alternate care benefit with this option <p><u>Plan 10/Innova</u></p> <ul style="list-style-type: none"> - \$1,000 deductible - \$20 Category 1 copay; \$35 Category 2 copay; 60% coinsurance Category 3 - 80% coinsurance Category 1; 60% coinsurance Category 2 & 3 - \$2,000 out of pocket maximum coinsurance - prescription drug copays are \$10 for generic, \$35 for preferred brand and \$50 for non-preferred brand

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PACIFIC NORTHWEST CONSULTING ENGINEERS HEALTH & WELFARE TRUST

BENEFITS AT A GLANCE

MEDICAL (cont'd)	<p><u>Plan 10 Value/Innova</u></p> <ul style="list-style-type: none"> - \$1,000 deductible - \$20 Category 1 copay; \$35 Category 2 copay; 50% coinsurance Category 3 - 70% coinsurance Category 1; 50% coinsurance Category 2 & 3 - \$3,000 out of pocket maximum coinsurance - Prescription drug copays are \$10 for generic, \$35 for preferred brand and \$50 for non-preferred brand - There is no alternate care benefit with this option <p><u>HSA Plan 15</u></p> <ul style="list-style-type: none"> - \$1,500/\$3,000 deductible (single/family) - 80% coinsurance Category 1; 60% coinsurance Category 2 & 3 - \$5,000/\$10,000 (single/family) out of pocket maximum coinsurance - Rx combined with medical
DENTAL	<p>Administered by Standard Insurance Company</p> <ul style="list-style-type: none"> - \$50 deductible - 100% preventive (no deductible) - 80% basic services - 50% major services - \$2,500 annual maximum
VISION	<p>Administered by Regence BlueCross BlueShield of Oregon</p> <ul style="list-style-type: none"> - Exam: 1 per calendar year; Hardware: \$150 per calendar year
BASIC LIFE/AD&D	<p>Administered by Standard Insurance Company</p> <ul style="list-style-type: none"> - 1.5 times base annual earnings rounded to the next higher \$1,000, to a maximum chosen by the firm of \$50,000; \$75,000; \$100,000, \$150,000; \$200,000 <p><u>Additional Life:</u></p> <ul style="list-style-type: none"> - \$10,000 to \$500,000 in of units of \$10,000
STD and LTD	<p>Administered by Standard Insurance Company</p> <ul style="list-style-type: none"> - STD: 60% of base weekly earnings up to a maximum benefit of \$1,000 - LTD: 60% of base monthly earnings up to a maximum benefit of \$5,000
EMPLOYEE ASSISTANCE PROGRAM	<p>Administered by Cascade Centers, Inc.</p> <ul style="list-style-type: none"> - Provides employees, supervisors and organizations with assistance in dealing with a broad range of personal issues. Limited to six visits per family member per incident.
RETIREES	<p>Medical coverage may be available</p>
COBRA	<p>Administration of COBRA is offered through Engineers Trust Admin., Inc.</p>
FLEXIBLE SPENDING ACCOUNTS	<p>Administered by Allegiance Benefit Plan Management Inc., Administration of section 125 Personal Choice Accounts is offered through Allegiance Benefit Plan Management Inc. P.O. Box 2930, Tualatin, Oregon 97062</p>
HEALTH ADVOCATE	<p>Administered by Health Advocate</p> <ul style="list-style-type: none"> - Provides health advocacy services to employees and their families.

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GENERAL PROVISIONS

The Trust has been offering a comprehensive benefit plan to its members for 50 years and currently insures over 60 firms with over 650 employees.

Your firm must be a member of the American Council of Engineering Companies of Oregon or Washington in order to be eligible to participate in the Trust's benefit plan.

Most new participating employers are eligible to enroll in the benefit plan on the first of the month following 30 days of membership in either Council. Please note however, there are some special rules that apply to groups currently insured by Regence BlueCross BlueShield of Oregon or any Regence affiliate, either on a direct basis or through another Association.

Groups of 50 or fewer employees currently enrolled on a direct basis with Regence must be members of either Council for a minimum of 6 months before we are able to release a quote. Such groups of 51 or more employees will not be eligible for a quote. Groups of any size currently enrolled through an association with Regence must be members of either Council for a minimum of 6 month before we are able to release a quote.

Plans Offered

- Regence BlueCross BlueShield of Oregon provides medical and vision benefits
- Standard Insurance Company provides dental, life and ad&d insurance, as well as short and long term disability coverages.
- An Employee Assistance Program (EAP) is provided through Cascade Centers Inc.

Medical and basic life/ad&d are **required coverages for each firm and life/ad&d for each member**. Optional coverages include additional life, dental, vision, long-term and short term disability. **Please refer to Participation/Contribution Requirements for each line of coverage**. The EAP is required for **each eligible employee** of your firm. In addition, PNCE endorses (but does not administer) a health advocacy program through Health Advocate and a section 125 cafeteria plan through Allegiance Benefit Plan Management, Inc.

Medical Plan Information

There are eight Preferred Provider Organization (PPO) medical plans available through the Trust. Member firms have the choice of offering employees deductibles ranging from a \$300 to \$1,500 including a Qualified High Deductible Health Plan (QHDHP) that can be coupled with a Health Savings Account (HSA). The HSA allows you as the employer and /or the member to set aside tax deductible dollars for qualified medical expenses.

All plans provide increased benefits when utilizing a Category 1 or 2 provider. Firms of 25 or more enrolled employees may offer dual choice plan options (some restrictions apply). Firms of 50 or more enrolled employees may offer triple choice options with prior underwriting approval.

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GENERAL PROVISIONS

Participation / Contribution Requirements

<p>Regence</p>	<p>Regence requires that 75% of all eligible employees and dependents be covered by your firm. For firms with 100 or more members, this is regardless of whether or not they have coverage elsewhere.</p> <p>For firms with 50 or fewer employees, the employer <u>must</u> pay 100% of the lowest cost plan “employee only” premium, and the employee may pay the additional cost for dependents. Firms with over 50 employees may require employees to pay <u>up to</u> 50% of the lowest cost “employee only” premium.</p> <p>Firms with 25 or more enrolled employees may offer dual choice plan options (some restrictions apply, see 2011 dual option grid). These employers must pay 100% of the lowest cost “employee only” premium and the employee may pay the additional cost for dependents. In addition, employees pay the additional cost to buy-up to the higher cost plan.</p> <p>Firms with 50 or more enrolled employees may also offer triple choice options with prior underwriter approval. Special requirements regarding employer contributions will apply.</p>
<p>Standard</p>	<p>Standard requires 100% employee participation for basic life/ad&d, short-term and long-term disability plans. Employers must pay 100% of the cost of these coverages. If employers choose to offer additional life, premiums are 100% paid by the employee.</p> <p>Firms that did not elect to offer additional life during initial enrollment can elect to offer it in the future but will be required to submit evidence of insurability for each enrolling employee. Firms that offered additional life at initial enrollment and had employees decline coverage who wish to enroll in the future must also submit evidence of insurability for each late enrollee. New participating firms that enroll within 31 days of eligibility and attain 25% participation will have a \$50,000 guarantee issue for the employee, \$10,000 guarantee issue for the spouse and guarantee issue amounts for child(ren), however, if the 25% participation is not achieved, evidence of insurability will be required for all benefit amounts.</p> <p><u>Dental</u> – If employers choose to offer dental they must pay 100% of the cost for employees. Dependent contributions may vary by firm. Firms, employees and dependents that didn't initially elect dental coverage can elect to offer it during open enrollment. Employees and dependents can only enroll outside the annual open enrollment if there is a qualifying event.</p>

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GENERAL PROVISIONS

Eligibility Requirements

- Your firm may choose the definition of eligibility based on working 17.5 through 40 hours per week, applied uniformly to all employees. Your firm may also choose a uniform probationary period before employees are eligible for coverage of first of the month following 0, 30, 60 or 90 days.
- Partners, sole proprietors and owner employees are not eligible unless they are full-time employees. They are then covered for work-related injuries (integrated with workers' compensation coverage if applicable).
- Eligible dependents include spouses, Oregon certified same sex domestic partners, same sex (non-Oregon certified) and opposite sex domestic partners and their dependent child(ren) up to age 26.
- Dependents must enroll in the employee's medical and/or dental and/or vision plan when the employee is initially eligible. If a dependent does not enroll when the employee is initially eligible and does not have other coverage, the dependent can only join the plan later at open enrollment. If dependents should lose their coverage through another insurance plan during the year, however, those dependents can be added to the Trust's medical and/or dental and/or vision plan, as long as they enroll within 30 days of the loss of their other coverage.
- Your firm may add the optional benefits or increase the basic life maximum at initial enrollment or annually at open enrollment time. Firms with less than 10 employees that choose to increase their basic life maximum at open enrollment will be required to submit evidence of insurability for all employees.
- Firms with less than 10 employees that choose to add the optional LTD coverage at open enrollment will be subject to a 3/12 preexisting conditions limitation. If you do not apply for the Cascade Employee Assistance Program at your initial enrollment, you may do so at a later date during periodic open enrollment sessions.
- With the exception of optional increases in the basic life benefit and additional life, there are no health evidence requirements for any size of group.

Programs Endorsed by PNCE Trust

- You must contract directly with Allegiance for administration of the section 125 plan and/or with Health Advocate for the Health Advocacy benefit if you wish to enroll in either of these plans.
- Preferred pricing is available as a trust member firm for Health Advocate.
- The trust endorses these plans but does not contract with nor administer them.

For more information on these plans please contact:

Allegiance Benefit Plan Management, Inc.

Attn: Bob Bell, Regional Marketing Director
503.885.1888
bbell@askallegiance.com

Health Advocate, Inc.

Attn: Mary Margaret Craford, Account Executive
503.206.8538
mcraford@HealthAdvocate.com

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This is only a brief summary of benefits; the provisions of the Master Contract will always prevail.

LIFE/AD&D BENEFITS

- Basic life coverage is provided at 1.5 times base annual earnings rounded to the next higher \$1,000, to a maximum as chosen by the firm of \$50,000, \$75,000, \$100,000, \$150,000 or \$200,000.

In the event of an accidental death, the benefit amount is doubled.

- Benefits are based upon the pay received by the employee from the employer excluding commissions, bonuses, overtime pay or other compensation.

There are alternative definitions of earnings for partners and sole proprietors.

- All employees enrolled in this plan are automatically enrolled in a travel assistance program and a basic EAP plan through Medex Travel Assistance and HorizonCare EAP/WorkLife services.
- Additional life is offered in units of \$10,000 from \$10,000 to \$500,000 for employee and spouse. Child dependent coverage is units of \$2,000, from \$2,000 to \$10,000.

The amount of spouse coverage and child coverage may not exceed 100% of the employee basic and additional life coverage combined.

TEMPORARY DISABILITY

- 60% of base weekly earnings to a maximum benefit of \$1,000.
- Benefits begin after the first 13 days of continuous disability and continue up to 24 weeks maximum duration.
- The plan covers non-occupational disabilities only, except that for Partners and Proprietors (of sole proprietorships, partnerships and limited liability companies) this plan covers occupational disabilities.

LONG TERM DISABILITY

- 60% of base earnings to a maximum \$5,000 per month.
- Benefits begin after 180 days of continuous disability.
- Benefits are reduced by other income benefits to which the employee is entitled.

Definition of disability:

Unable to perform your own occupation with reasonable continuity and suffer a loss of at least 20% when working in your own occupation.

Pre-existing Condition:

If you are treated during the 3 month period prior to becoming insured, and you are disabled for that same condition in the first 12 months covered, that condition will not be covered.

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LTD benefits end at age 65; however, if an employee becomes disabled at age 61 or older, the following is a schedule of the time LTD payments may continue:

Age at Disability	Max Duration	Age at Disability	Max Duration
61 or younger	to age 65 or 42 months, if longer	65	24 months
		66	21 months
62	42 months	67	18 months
63	36 months	68	15 months
64	30 months	69 and over	12 months

MEDICAL BENEFITS

Member firms have the choice of offering employees any one of the following detailed in the Benefits at a Glance section on page 3:

- Plan 3 - Innova
- Plan 5 - Innova
- Plan 5 – Innova Value
- Plan 7 – Innova
- Plan 7 – Innova Value
- Plan 10 - Innova
- Plan 10 – Innova Value
- Plan 15 - HSA

Plan 15 HSA is a Qualified High Deductible Health Plan (QHDHP) that can be coupled with a Health Savings Account (HSA). The HSA allows you as the employer and /or the member to set aside tax deductible dollars for qualified medical expenses.

Firms consisting of 25 or more eligible employees can offer dual choice options as indicated below.

Pacific NW Consulting Engineers 2011 Dual Option Grid - 25+ Employees Only

	DUAL OPTION AVAILABILITY (25+ EMPLOYEES ONLY)							
	Plan 3 Innova	Plan 5 Innova	Plan 5-Value Innova	Plan 7 Innova	Plan 7- Value Innova	Plan 10 Innova	Plan 10- Value Innova	Plan 15 HSA
Plan 3 Innova	N/A	Yes	No	No	No	No	No	Yes
Plan 5 Innova	Yes	N/A	Yes	Yes	Yes	Yes	No	Yes
Plan 5-Value Innova	No	Yes	N/A	Yes	Yes	Yes	Yes	Yes
Plan 7 Innova	No	Yes	Yes	N/A	Yes	Yes	No	Yes
Plan 7-Value Innova	No	Yes	Yes	YES	N/A	Yes	Yes	Yes
Plan 10 Innova	No	Yes	Yes	Yes	Yes	N/A	Yes	Yes
Plan 10-Value Innova	No	No	Yes	No	Yes	Yes	N/A	Yes
Plan 15 HSA	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A

HSA plan is ineligible as a base medical plan. Employer contribution levels must apply to the PPO option attached to the HSA plan with a buy-down option for the HSA plan.

For firms with 50 or more employees, a triple choice option is available with underwriting approval. Special rules regarding employer contributions will apply. Please contact us for additional information.

Please see the plan summaries for full details on the benefits.

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DENTAL BENEFITS

Deductible (annual)	\$50 individual; \$150 family
Maximum Benefit	\$2,500 per person, per year (see Max Builder on plan summary for details as to how members can increase annual maximum)

BENEFITS

Preventive Care (exams, x-rays, cleaning)	100% of UCR with no deductible
Basic Services (extractions, fillings, initial dentures, oral surgery, etc.)	80% of UCR after the deductible
Major Services (crowns, fixed bridges, denture repair)	50% of UCR after the deductible
Orthodontia	Not Covered

VISION BENEFITS

BENEFITS

Examination	One exam per calendar year; covered in full.
Lenses, Frames, Contact Lenses	Up to \$150 per calendar year; covered in full.

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EMPLOYEE ASSISTANCE PROGRAM

- An Employee Assistance Program (EAP) is offered through Cascade Centers, Inc., an experienced local company providing benefits on a national level.
- The EAP is comprehensive and designed to provide employees, supervisors and organizations with assistance in dealing with a broad range of personal issues.
- It is offered to you on the premise that factors outside the workplace could dramatically impair employee productivity, placing employees at risk, and that employees facing serious problems could benefit personally and professionally from counseling. Of course, complete confidentiality is maintained.

Services	<ul style="list-style-type: none"> • Problem Assessment • Counseling • Referral • Supervisory Support • On-Site Services • Critical Incident Stress Debriefing • Limited Legal Services • Wellness Program • Identity Theft Services
Limitation	<ul style="list-style-type: none"> • Up to six counseling visits for each family member, for each incident

More information about the Employee Assistance Program is available to you at your request. A completed application is necessary for enrollment.

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