

# Republic Airways

## Benefits Guide

### 2019



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# INTRODUCTION

Welcome to your Republic Airways Holdings Associates Benefits Program, effective January 1, 2019. The following pages provide detailed information on our various benefit programs and options. Please carefully review this guide prior to enrolling for benefits or if you have questions throughout the year.


Due to legal and contractual guidelines, the plans that we offer have specific rules regarding eligibility, time frames for enrolling and making changes, when deductions start and end, etc. Please carefully review the following pages so you are aware of these rules. More details about each of these plans are presented on the following pages. The entire provisions of benefits, limitations, maximums and exclusions are contained in the Summary Plan Descriptions for each plan (found in the Associate Central section of Republic's intranet site). In the event of a conflict between the Summary Plan Description and these summaries, the terms of the Summary Plan Description will prevail.

## 2019 BENEFITS HIGHLIGHTS




An overview of our 2019 Benefits Program is presented in the table below. All benefits (if elected) are eligible after 30 days of employment, unless otherwise noted.

CORE BENEFITS			
Benefit	Provider	Coverage Options	Notes
<b>Medical</b>		<ul style="list-style-type: none"> <li>▪ Value - CDHP with HSA</li> <li>▪ Pilot Health Plan - CDHP with HSA</li> <li>▪ Traditional*</li> <li>▪ Legacy*</li> </ul>	Republic contributes \$850** for Associate Only or \$1,700** for Associate + 1/Family coverage to an HSA account for participants in a CDHP
<b>Dental</b>		<ul style="list-style-type: none"> <li>• Standard</li> <li>• Plus</li> </ul>	Associate Only coverage on the Standard plan is FREE.
<b>Vision</b>		<ul style="list-style-type: none"> <li>▪ Comprehensive</li> <li>▪ Reimbursement***</li> </ul>	<b>FREE</b>
<p>*Not all Associates are eligible for the Legacy and Traditional Medical Plans            **Prorated based upon effective date            ***Not all Associates are eligible for the Reimbursement Vision Plan</p>			

## VOLUNTARY BENEFITS

Benefit	Provider	Coverage Options	Notes
Life/AD&D <sup>1,2,3</sup>		<ul style="list-style-type: none"> <li>▪ 2 x base pay (to \$500,000 max)</li> <li>▪ Doubles upon accidental death</li> <li>▪ You may be eligible for a portion of your AD&amp;D benefit in the event of a serious injury</li> </ul>	FREE
Supplemental Life/AD&D Insurance <sup>1,3</sup>		<ul style="list-style-type: none"> <li>• Additional life insurance in \$10,000 increments (to \$1,000,000 max)</li> </ul>	<ul style="list-style-type: none"> <li>• Costs are based upon your age.</li> </ul>
Dependent Life <sup>1,2</sup>		<ul style="list-style-type: none"> <li>▪ \$10,000 for spouse</li> <li>▪ \$5,000 for each child</li> </ul>	FREE
Spouse Supplemental Life/AD&D Insurance		<ul style="list-style-type: none"> <li>▪ Additional life insurance for your spouse in \$10,000 increments (to \$100,000 max)</li> <li>▪ Provides additional coverage upon accidental death or serious Injury</li> <li>▪ EOI required for amounts over \$30,000</li> </ul>	<ul style="list-style-type: none"> <li>▪ Costs are based upon your age and coverage level</li> </ul>
Child Supplemental Life/AD&D Insurance		<ul style="list-style-type: none"> <li>▪ Additional life insurance in \$10,000 increments (to \$30,000 max)</li> <li>▪ Provides additional coverage upon accidental death or serious Injury</li> <li>▪ No EOI is required</li> </ul>	<ul style="list-style-type: none"> <li>▪ Costs are based upon coverage level</li> </ul>
Short-term Disability (STD) <sup>1,4</sup>		<ul style="list-style-type: none"> <li>▪ 50% (to \$700 weekly max) or 60% (to \$1,000 max)</li> <li>▪ Benefits begin on 8<sup>th</sup> day of disability and can last for up to 26 weeks</li> <li>▪ Does NOT cover loss of medical for pilots</li> </ul>	<ul style="list-style-type: none"> <li>▪ Costs are based upon your salary</li> <li>▪ Benefits received are tax-free</li> </ul>
Long-term Disability (LTD) <sup>1</sup>		<ul style="list-style-type: none"> <li>▪ 60% of base pay (to \$5,000 monthly max)</li> <li>▪ You must be disabled for 180 days before benefits begin.</li> <li>▪ Does NOT cover loss of medical for pilots</li> </ul>	<ul style="list-style-type: none"> <li>▪ Costs are based upon your age and salary.</li> <li>▪ Benefits received are tax free.</li> </ul>

## VOLUNTARY BENEFITS

Benefit	Provider	Coverage Options	Notes
<b>Notes</b>		<ul style="list-style-type: none"> <li>▪ Short Term Disability</li> <li>▪ Long Term Disability</li> <li>▪ Includes FAA Medical Certification Services</li> <li>▪ Covers loss of medical for pilots</li> </ul>	Please contact your union representative or Harvey Watt directly for additional information on Harvey Watt's disability program and premium options
<b>Employee Assistance Program (EAP)</b>		<ul style="list-style-type: none"> <li>• Available to all associates and their family members immediately upon hire.</li> </ul>	<b>FREE</b>
<b>Flexible Spending Accounts (FSA)</b>		<ul style="list-style-type: none"> <li>▪ Health Care FSA</li> <li>▪ Limited Purpose Health Care FSA (for dental and vision only)</li> <li>▪ Dependent Day Care FSA</li> </ul>	<ul style="list-style-type: none"> <li>▪ \$120/yr min.</li> <li>▪ \$2,650/yr max for Health Care FSAs</li> <li>▪ \$5,000/yr max for Dep Day Care FSA</li> </ul>
<p><sup>1</sup> You must be Actively at Work on the day your coverage takes effect. Associates must work at least 15 hours per week to be eligible for this benefit. GLT Flight Attendants must work at least 37.5 hours per month to be eligible for this benefit.</p> <p><sup>2</sup> Imputed income must be applied. See section on <a href="#">Life Insurance Imputed Income</a> for more information.</p> <p><sup>3</sup> Benefit reduces at age 65, 70, 75, etc. See section on <a href="#">Life Insurance</a> for more information.</p> <p><sup>4</sup> State exclusions apply. See section on Short Term Disability (STD) later in this document for details.</p>			

# IMPORTANT BENEFITS RELATED TERMS

## **Premium:**

The amount deducted from your paycheck each pay period to pay for your health insurance coverage. Medical, dental and vision premium information and rates are published yearly with your benefits enrollment materials or you can contact the Benefits Department at 317.471.2285.

## **Health Savings Account (HSA) contribution:**

When you choose the Value CDHP with Health Savings Account (HSA) or the Pilot Health Plan with Health Savings Account (HSA) option, you can make tax-deductible contributions to your HSA up to an annual federal limit. You can use the money in your HSA to pay current and future medical expenses, including deductibles and coinsurance payments. You can carry HSA dollars over from year to year, and can invest funds exceeding \$2,000. If you choose the Traditional\* or Legacy\* Plan, you cannot make contributions to a Health Savings Account.

## **Republic's contribution:**

Good news—Republic contributes money to your HSA account to help you pay for your medical expenses! This amount varies based on the coverage option you choose.

## **Annual deductible:**

You pay for the full allowable in-network or full out-of-network cost of your non-preventive healthcare expenses until you meet your deductible.

## **Coinsurance:**

After you meet your deductible, you pay a fixed percentage of your healthcare expenses—this is called coinsurance. This continues until you reach your annual out-of-pocket maximum.

## **Co-Pay:**

A pre-determined amount of money you pay when you receive health care or obtain prescription medication. The rest is paid for by the insurance company. The CDHPs do not have co-pays.

**Preventive Care:**

These are health services that are covered at 100% of allowable amounts (e.g., wellness exams, certain screenings and immunizations)

**Annual out-of-pocket maximum:**

You pay coinsurance for your medical expenses until you meet your individual or family out-of-pocket maximum. Your annual out-of-pocket maximum is based on your chosen plan and coverage level. When you reach your out-of-pocket maximum, you will not pay for any allowable medical expenses for the remainder of the calendar year!

**In-Network Providers:**

A group of doctors, hospitals and other healthcare providers that offer negotiated discounted prices within our insurance plan.

**Evidence of Insurability:**

Evidence of Insurability (EOI), sometimes known as “proof of good health”, is the documentation of the health condition of an associate or his/her dependent’s health in order to be approved for coverage. EOI is required for some types of coverage.



# TAKING AN ACTIVE ROLE IN YOUR HEALTH CARE DECISIONS

## Take Care of Yourself and Your Family

Take advantage of Preventive Services (i.e., wellness exams, immunizations and preventive screenings). These are **covered at 100%** of allowable charges – This means that co-pays, deductibles and co-insurances **DO NOT APPLY**. Get routine cleanings and dental check-ups, annual eye exams and use a virtual doctor through [LiveHealthOnline.com](http://LiveHealthOnline.com) if you are too busy to schedule an appointment. Use Express Scripts Mail Order Pharmacy for maintenance drugs. Save money and have prescriptions conveniently mailed to your home.

**Note: The earlier you catch a health issue, the less severe and costly it may be.**

## Use your Medical Benefits Wisely

Republic is **self-insured** for medical, dental and vision benefits, so we share these expenses as a group. The amount you pay for your benefits is directly related to the amount that we expect to spend so use your benefits wisely! There are resources available to help you make good decisions.

**Stay In-Network to Receive the Maximum Plan Benefits.** To find a list of in-network providers:

- **Medical (Traditional and Value Plan w/ HSA)**, Go to: [www.anthem.com](http://www.anthem.com) (*Scroll down to Provider Search, Search as a guest by entering RPW*)
- **Dental (Standard and Plus)**, Go to: [www.metlife.com/mybenefits](http://www.metlife.com/mybenefits) (*Enter PDP for Network*)
- **Vision (Comprehensive) – Blue View Vision**, Go to: [www.anthem.com](http://www.anthem.com) (*Scroll down to Provider Search, Select Vision Benefit, Select Blue View Vision*)

When you elect medical benefits, you have an easy way to compare the costs of medical procedures and treatments, as well as the quality of the providers. You also can calculate your share of the costs! Here's how:






- Log into **anthem.com**
- From the home page, choose Care & Cost Finder
- Select medical or vision
- Type in the procedure or treatment you would like to estimate

You also can access these and other resources on your tablet or smartphone with Anthem's new mobile app. Just download the free Anthem Anywhere app from iTunes or Google Play and then log in. You can find health care providers, access ID cards, check claim status, and compare costs of procedures and treatments.

**Sometimes there's no time to compare costs and quality when you simply need health care right away.** If you're experiencing a true emergency, you should always call 911 or go to a hospital emergency room. However, if your need is urgent, but not an emergency, and you can't access your regular doctor, you do have other options:

- Using retail health clinics (such as CVS or Walgreens), urgent care centers, and walk-in doctor's offices can lower your out-of-pocket costs and provide quality care without an appointment.
- You can video chat online with a board-certified physician through [LiveHealth Online](#). You can ask questions and describe symptoms, and they can diagnose your condition, and in most cases, prescribe medicine. Doctors are available seven days a week.

## Average Cost of Urgent Care Comparison

Emergency room	Urgent care	Doctor's office	Retail clinic	LiveHealth Online
\$1500	\$150	\$115	\$75	\$49
				

To find an emergency room alternative, go to [Anthem.com](#). Select Find a Doctor under Useful Tools on the right and follow the steps to find an in-network doctor or urgent care center near you.

# MEDICAL

In an effort to accommodate the varied needs of our associates, Republic Airways both PPO and CDHP medical plan options:

1. Legacy PPO Plan\*
2. Traditional Medical PPO Plan\*
3. Value Consumer Driven Health Plan (CDHP) with HSA
4. Pilots Health Plan (PHP) with Health Savings Account (HSA)

Review this section of the guide and all available options carefully before making your medical plan selection. Each option is different, so you should carefully consider your personal circumstances when deciding which option best meets your needs and the needs of your eligible dependents.

**All Medical plans  
are administered by**



All plans utilize the same schedule of covered charges and exclusions and provide regular medical care and pharmacy benefits for the diagnosis and treatment of most illnesses and injuries. The major differences in the plans can be found in deductibles, coinsurance, copayments, out-of-pocket maximums and the premiums you pay for the coverage.

For a complete summary of benefits, limitations, exclusions and formularies, or to find an in-network provider, visit [www.anthem.com](http://www.anthem.com). This website requires no password or log-in ID when searching for in-network providers. If you have additional questions, refer to the Summary of Benefits and Coverage for these medical plans in the Associate Central section of Republic's intranet site.



**When you enroll in any of the medical plans, you also receive comprehensive prescription drug coverage.**

\* Not all associates are eligible for the Legacy and Traditional Medical Plans.

## HIGHLIGHTS OF COVERED MEDICAL SERVICES

Plans	Legacy Plan*		Traditional Plan		Value CDHP w/HSA		Pilot Health Plan w/HSA	
	In-Network	Out-of-Network	In-Network	Out-of-Network	In-Network	Out-of-Network	In-Network	Out-of-Network
Sample of Covered Services								
Annual Deductible <sup>1</sup> Individual/Family	\$0/ \$0	\$200/ \$600	\$500/ \$1,000	\$1,000/ \$2,000	\$1,350/ \$2,700	\$2,700/ \$5,400	\$1,350/ \$2,700	\$2,700/ \$5,400
Annual Out-of-pocket Maximum <sup>2</sup> Individual/Family	\$1,000/ \$3,000	\$1,000/ \$3,000	\$2,500/ \$5,000	\$5,000/ \$10,000	\$3,750/ \$7,500	\$7,500/ \$15,000	\$3,750/ \$7,500	\$7,500/ \$15,000
Employer HSA Contribution Associate Only/Associate+1 or more	n/a		n/a		\$850/\$1,700		\$850/\$1,700	
PCP/Specialist office visits <sup>3</sup>	\$10	30%	\$25	40%	20%	40%	20%	40%
Well visit	\$0	30%	\$0	40%	\$0	40%	\$0	40%
Immunizations	\$0	30%	\$0	40%	\$0	40%	\$0	40%
Inpatient Services	10% <sup>4</sup>	30%	20%	40%	20%	40%	20%	40%
Outpatient Services <sup>5</sup>	10% <sup>4</sup>	30%	20%	40%	20%	40%	20%	40%
Emergency Room <sup>6</sup>	10% <sup>4</sup>	10%	\$100 plus 20%	\$100 plus 20%	20%	20%	20%	20%
Urgent Care	\$10 <sup>7</sup>	30%	\$25	40%	20%	40%	20%	40%
Lab and X-Ray	10% <sup>4</sup>	30%	20%	40%	20%	40%	20%	40%
Chiropractic Services	50% <sup>4</sup>	50%	50%	50%	20%	40%	20%	40%
<b>Pharmacy</b>								
Retail—(34 day supply) Generic/Brand/ Non-formulary	\$5/\$10/ \$10	\$5/\$10/ \$10 plus 50%	\$10/\$30/ \$50	\$10/\$30/ \$50 plus 50%	20%	40%	20%	40%
Mail Order—(90 day supply) Generic/Brand/ Non-formulary	\$5/\$10/ \$10	N/A	\$20/\$60/ \$100	N/A	20%	N/A	20%	N/A

The percentages represent the portion of the cost (co-insurance) that is your responsibility AFTER the deductible has been met.

\* Not all associates are eligible for the Legacy plan.

<sup>1</sup> For the Value CDHP w/HSA Plan and the Pilots Health Plan with Associate+1 or more coverage only the Family deductible applies to all, that is, there is no individual deductible. Copays do NOT apply to the deductible.

<sup>2</sup> The Out-of-Pocket Maximum is the total amount that you must pay in a calendar year before the plan covers the full cost (100%) of eligible expenses. Individual out-of-pocket costs apply. For all plans the out-of-pocket costs include all eligible medical and prescription expenses.

<sup>3</sup> Office visits only. All other services in office subject to deductible and coinsurance.

<sup>4</sup> Deductible does not apply.

<sup>5</sup> Outpatient services include physical, occupational, respiratory, inhalation, and IV therapy. Calendar year visit limits apply. Occupational therapy combined limit of 30 visits per calendar year.

<sup>6</sup> Emergency Room co-payment is waived if admitted.

<sup>7</sup> If invoiced as outpatient services coverage will be paid at outpatient services level.

## HEALTH SAVINGS ACCOUNTS

A Health Savings Account (HSA) is a bank or investment account from which you can deposit and withdraw money on a tax-free basis (subject to state law) to pay for current and future qualified medical, dental or vision expenses.

**To participate in the HSA  
you must be enrolled in the:**

- ✓ **Value Plan, or**
- ✓ **Pilot Health Plan  
(PHP)**

The funds (both Republic Airways' contributions on your behalf and your contributions) earn tax free interest and are portable (meaning if you leave Republic you do not forfeit the contributions or interest earnings). The funds carry over from year-to-year and can be used in future years to pay for eligible medical expenses for both yourself and your

dependents. Please note that the age limit for dependents for HSA reimbursements is 24, that is, although you can enroll your dependent on the medical plan up to the age of 26 due to IRS regulations you cannot use HSA funds toward their eligible expenses past the age of 24. Distributions from your account are tax-free if used for qualified expenses. Qualified medical expenses are generally described in Section 213(d) of the Internal Revenue Service Tax Code and IRS Publication 502 at [www.irs.gov](http://www.irs.gov) and also in the Associate Central section of Republic's intranet site). There is a penalty for distributions for non-eligible expenses.

Republic's HSA plan is administered by HSA Bank.



### Republic's Contribution and Opening an HSA Account



Participants in the Value CDHP or the Pilots Health Plan will receive the entire annual allotment (\$850 for Associate Only coverage or \$1,700 for Associate+1 or Family) on the first possible day of the calendar year. Participants who enroll later in the year will receive a prorated annual amount based on their eligibility date (or the first possible day after that).

For example, you are eligible for benefits effective May 1, 2019, and elect the Value CDHP Plan for family coverage. Republic will deposit \$1,133.33 ( $\$1,700/24 \times 16$  the number of deductions remaining in the year) into your HSA account on May 1.

Republic's contribution will be made in an account at HSA Bank. To open an account simply go to: [https://secure.hsabank.com/group\\_enrollment/enrollment.aspx?id=061449146](https://secure.hsabank.com/group_enrollment/enrollment.aspx?id=061449146).

Until your HSA account is open, Republic's contribution cannot be made on your behalf. If you do not open the account prior to February 28, 2020, your 2019 company contribution will be forfeited. If you open the account prior to the February 28 deadline you will receive your contribution.

## Your Contribution to Your HSA Account



You can also contribute funds to your HSA on a pre-tax basis. Either elect this option when you initially enroll, or log into Workday at any time and select the "I Want to Change my HSA Contribution" Life Event. **You can start, change, or stop your contributions at any time during the year. If you elect to contribute, you must contribute a minimum of \$5.00 per pay, which equates to \$120 annually.**

The 2019 annual IRS limits are:

	Company Contribution	Your Maximum Contribution	IRS Annual Maximum*
Associate Only	\$850	\$2,650	\$3,500
Associate+1, Family	\$1,700	\$5,300	\$7,000
*Catch Up Contributions for Associates age 55 and older are an additional \$1,000			

### You may NOT be eligible to receive HSA contributions if you:

1. Are enrolled in another health plan that is not a CDHP
2. Are enrolled in Medicare
3. Are enrolled in Tri-Care
4. Have received VA benefits in the last three months
5. Can be claimed as a dependent on someone else's tax return
6. Are enrolled in a Medical Flexible Spending Account.

## DECIDING WHICH MEDICAL PLAN IS BEST FOR YOU

Although we offer different plan options to meet the varied needs of our associates, there are similarities between the plans.

- All give you access to the same network of physicians, hospitals, laboratories, etc. around the country.
- Under all plans you may visit any doctor – even a specialist without a referral.
- All plans provide the opportunity to visit a virtual doctor with LiveHealthOnline.com.
- Under all plans you receive the negotiated discounts when utilizing in-network providers and pay more if you visit an out-of-network provider.
- All plans cover the same medical conditions.
- Under all plans routine preventive services are covered at 100%.

**When deciding which plan is best for you consider:**

- 1) your medical needs**
- 2) the plan out-of-pocket and co-pay, etc. costs**
- 3) the premiums for each plan**



The plan with the lowest premium is not necessarily the best option nor is the plan with the highest premium always the best coverage.

VALUE CDHP with HSA	PHP with HSA	TRADITIONAL	LEGACY
<ul style="list-style-type: none"> <li>✓ Most appropriate decision for substantially all of our associates</li> <li>✓ Provides opportunity to save funds (for years when you might have significant medical expenses)</li> </ul>	<ul style="list-style-type: none"> <li>✓ Most appropriate decision for substantially all of our Pilots</li> <li>✓ Provides opportunity to save funds (for years when you might have significant medical expenses)</li> </ul>	<ul style="list-style-type: none"> <li>✓ May be beneficial if you have a unique mix of prescription medications or specialty services, but low utilization of other medical services</li> </ul>	<ul style="list-style-type: none"> <li>✓ Poor option – scheduled to be subject to excise taxes</li> </ul>

## MEDICAL PLANS RATES



Medical plan costs continue to rise at alarming rates well above the general economic inflation rate. Despite these tremendous costs, Republic Airways associates only contribute an average of 35% or less of the total premium for Republic's sponsored medical plans.

Premium contributions are taken from each paycheck (24/year) on a pre-tax basis. Associates who are paid biweekly will have no medical deductions on the two payrolls per year that occur on the third pay of the month.

### 2019 Medical Rates

Per-pay Premiums				
	Pilot Health Plan w/HSA	Value CDHP w/HSA	Traditional*	Legacy*
Associate Only	\$59.00	\$67.50	\$118.50	\$280.00
Associate + 1	\$114.50	\$114.50	\$199.00	\$359.00
Family	\$169.00	\$169.00	\$299.50	\$443.00
<b>HSA Contributions:</b>				
Associate Only	\$850/yr	\$850/yr	n/a	n/a
Associate + 1	\$1,700/yr	\$1,700/yr	n/a	n/a
Family	\$1,700/yr	\$1,700/yr	n/a	n/a
*Not all associates are eligible to participate in the Legacy and Traditional Medical Plans.				

GLT Flight Attendants Per-pay Premiums			
	Value CDHP w/HSA	Traditional	Legacy*
Associate Only	\$135.00	\$237.00	\$511.28
Associate + 1	\$229.00	\$398.00	\$718.00
Family	\$338.00	\$599.00	\$886.00
<b>HSA Contributions:</b>			
Associate Only	\$850/yr	n/a	n/a
Associate + 1	\$1,700/yr	n/a	n/a
Family	\$1,700/yr	n/a	n/a
*Not all GLT Flight Attendants are eligible to participate in the Legacy Plan			



✓ Try our [Insurance Calculator](#) on the Republic's Intranet site for more guidance on the best plan for you.




✓ If you elect medical benefits for 2019 you will not be able to cancel or change your coverage until January 2020, unless you experience a Qualified Life Event (refer to the section titled, [Changing Coverage During the Year](#), in this document for more details).



## MEDICAL COVERAGE – EXAMPLE COMPARISONS

There are a number of plan scenarios which can help you choose the medical plan that works best for you and your family. Two examples are presented below. There are several other examples presented later in this guide in the section labeled MEDICAL PLAN COMPARISON EXAMPLES. For ease, the dollar amounts in all examples are rounded to the nearest dollar and only in-network examples are presented.

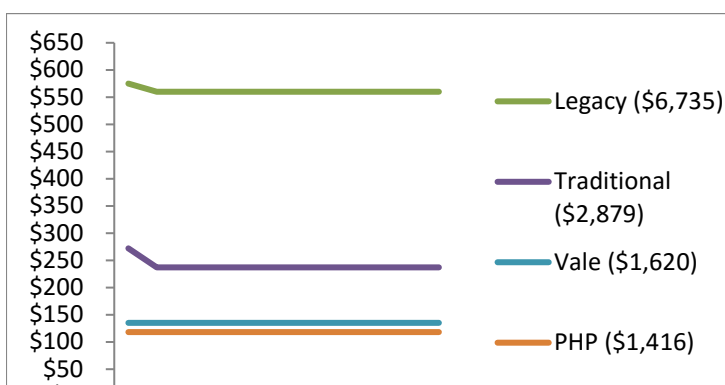
	Coverage Level	<b>Associate Only</b>
	Health Expenses for 2019:	One Preventive Office Visit @ \$90
		One Sick Office Visit @ \$90 in Jan 2019
		One Generic Antibiotic @ \$22 in Jan 2019

Summary of Plan Features				
	Pilot Health Plan w/HSA	Value CDHP Plan w/HSA	Traditional Plan	Legacy Plan
Sick Office Visit Co-pay	n/a	n/a	\$25	\$10
Coinsurance	20%	20%	20%	10%
Deductible	\$1,350	\$1,350	\$500	\$0
Out-of-pocket Maximum	\$3,750	\$3,750	\$2,500	\$1,000

	Pilot Health Plan w/HSA	Value CDHP Plan w/HSA	Traditional Plan	Legacy Plan
Preventive Office Visit	\$0	\$0	\$0	\$0
Sick Visit w/physician	\$90	\$90	\$25	\$10
Generic Prescription	\$22	\$22	\$10	\$5
<b>Subtotal Medical Expenses</b>	<b>\$112</b>	<b>\$112</b>	<b>\$35</b>	<b>\$15</b>
Republic's HSA Contribution	(\$850)*	(\$850)*	N/A	N/A
Annual Premium	\$1,416	\$1,620	\$2,844	\$6,720
<b>Total Annual Cost</b>	<b>\$1,416</b>	<b>\$1,620</b>	<b>\$2,879</b>	<b>\$6,735</b>


\*Todd has \$738 of his HSA balance remaining which will roll over to 2020,

The chart below shows how Todd's expenses would occur over the year (assuming his sick visit occurred in Jan 2019.)



✓ The Legacy medical plan would cost Todd over 4 times more than the PHP or the Value CDHP!

See the **MEDICAL PLAN COMPARISON EXAMPLES** section later in this Guide for more examples.

 Caroline	Coverage Level	<b>Family</b>
	Health Expenses for 2019:	Five Preventive Office Visits @ \$90 each
		Two Sick Office Visits @ \$90 each in April, 2019
		Two Strep tests @ \$30 each in April, 2019
		Two Brand Name Prescriptions @ \$125 each in April, 2019

### Summary of Plan Features

	Pilot Health Plan w/HSA	Value CDHP Plan w/HSA	Traditional Plan	Legacy Plan
Sick Office Visit Co-pay	n/a	n/a	\$25	\$10
Coinsurance	20%	20%	20%	10%
Deductible	\$2,700	\$2,700	\$1,000	\$0
Out-of-pocket max	\$7,500	\$7,500	\$5,000	\$3,000

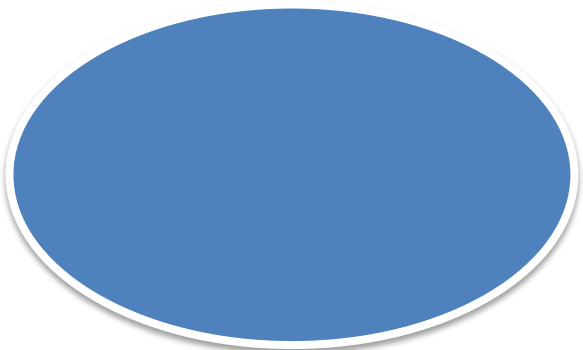
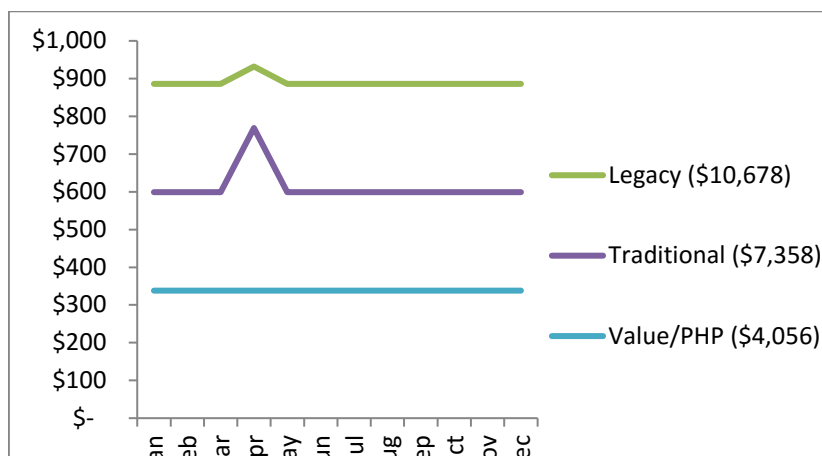
	Pilot Health Plan w/HSA	Value CDHP Plan w/HSA	Traditional Plan	Legacy Plan
5 Preventive Office Visits	\$0	\$0	\$0	\$0
2 Sick Visits w/physician	\$180	\$180	\$50	\$20
Strep Test Lab Work*	\$60	\$60	\$60	\$6
2 Brand Prescriptions	\$250	\$250	\$60	\$20
<b>Subtotal Medical Expenses</b>	<b>\$490</b>	<b>\$490</b>	<b>\$170</b>	<b>\$46</b>
Republic's HSA Contribution	(\$1,700)**	(\$1,700)**	\$0	\$0
Annual Premium	\$4,056	\$4,056	\$7,188	\$10,632
<b>Total Annual Cost</b>	<b>\$4,056</b>	<b>\$4,056</b>	<b>\$7,358</b>	<b>\$10,678</b>

\*Deductible and coinsurance apply

\*\*Caroline has \$1,210 of her HSA balance remaining which will roll over to 2020.



The chart below shows how Caroline's expenses would occur over the year (assuming her medical expenses occurred in Apr 2019.)



See the **MEDICAL PLAN COMPARISON EXAMPLES** section later in this Guide for more examples.

# DENTAL BENEFITS

Dental benefits are best used as a preventive measure with regular exams, x-rays and cleanings. However, if you find yourself in need of more than just a cleaning, Republic Airways offers two comprehensive dental options. Associates can choose the Standard Dental plan, or pay the difference in cost to enroll in the Dental Plus plan. The Dental Plus plan provides increased coverage per participant, enhanced out-of-network coverage, and orthodontia coverage for children up to age 19.

## Dental Options:

- ✓ Standard Plan
- ✓ Plus Plan

Both dental plans are administered by MetLife and utilize the MetLife dental network. With MetLife, you can go to the dentist of your choosing, even if he or she is not in the MetLife network. However, if you choose a dentist who does not participate in the MetLife Preferred Dental Provider (PDP), your out-of-pocket expenses may be higher, since you will be responsible to pay for any difference between the dentist's fee and the plan's payment for the approved service.



You can receive a list of participating PDP dentists online at [www.metlife.com/mybenefits](http://www.metlife.com/mybenefits) or call 1-800-942-0854 to have a list faxed or mailed to you.

## DECIDING WHICH DENTAL PLAN IS BEST FOR YOU

STANDARD DENTAL	DENTAL PLUS
<ul style="list-style-type: none"> <li>✓ Most appropriate option for most of our associates</li> </ul>	<ul style="list-style-type: none"> <li>✓ Appropriate if major dental work is planned</li> <li>✓ Appropriate if braces are needed by child/children</li> </ul>



The table below provides details on how the two dental options compare. For a complete summary of benefits, limitations, and exclusions refer to the Summary Plan Description (SPD) in the Associate Central section of Republic's intranet site.

## DENTAL PLANS COMPARISON

	Standard Dental Plan		Dental Plus Plan	
	In-Network	Out-of-Network	In-Network	Out-of-Network
Annual Deductible Individual/Family	\$50/\$150	\$75/\$225	\$50/\$150	\$50/\$150
Annual per member maximum	\$1,000	\$1,000	\$2,000	\$2,000
Diagnostic/Preventive Services <sup>1</sup>	100% (no deductible)	80% of R&C fee*	100% (no deductible)	100% of R&C fee*
Basic Restorative Services <sup>2</sup>	80%	80% of R&C fee*	80%	80% of R&C fee*
Major Restorative Services <sup>3</sup>	50%	50% of R&C fee*	50%	50% of R&C fee*
Orthodontia <sup>4</sup>	N/A	N/A	50% (no ded) <sup>5</sup>	50% (no ded) <sup>5</sup>
<sup>1</sup> Diagnostic/preventive services are not subject to the deductible. Services include exams, x-rays, cleaning & fluoride treatments, sealants (to age 19) and space maintainers (to age 19). <sup>2</sup> Basic restorative services include: fillings, endodontic, crown, dentures and bridge repair/recommendations. <sup>3</sup> Major restorative services include: inlays, onlays, crowns, prosthetics (bridges and dentures), and implants. <sup>4</sup> Coverage applies to covered children up to age 19. <sup>5</sup> Orthodontia limited to \$1,500 lifetime maximum per member. * Reasonable and Customary (R&C) charges are based on the lowest of (1) the dentist's actual charge; (2) the dentist's usual charge for the same or similar services, or (3) the charge of most dentists in the same geographic area for the same or similar services as determined by MetLife.				

## DENTAL PLAN RATES

Premium contributions are taken from each paycheck (24 times per year) on a pre-tax basis. Associates on the biweekly payroll will have no dental deductions on the two payrolls per year on the third pay of the month.

		Per Pay Premiums	
		All Others	GLT FAs
Standard	Associate Only	Free-Paid by RAH	Free-Paid by RAH
	Associate + 1	\$23.00	\$30.37
	Family	\$28.50	\$36.16
Dental Plus	Associate Only	\$7.50	\$15.00
	Associate + 1	\$41.00	\$41.14
	Family	\$48.50	\$48.99



✓ If you elect dental benefits for 2019 you will not be able to cancel or change your coverage until January 2020, unless you experience a Qualified Life Event (refer to the section titled, Changing Coverage During the Year, in this document for more details).

# VISION BENEFITS

Republic offers two different vision plans; both plans are administered through Anthem BCBS and utilize the BCBS Blue View Vision Network. For a complete summary of benefits, limitations, and exclusions or to find an in-network provider, visit: [www.anthem.com](http://www.anthem.com).

## VISION PLAN OVERVIEW

	Reimbursement Plan <sup>1*</sup>		Comprehensive Plan			
	In-Network	Out-of-Network	In-Network	Out-of-Network <sup>1</sup>		
Annual Deductible	\$0	\$0	\$0	\$0		
Vision Exam-Optometrist or Ophthalmologist.	100%	100%	100% after \$10 co-pay	Up to \$42		
Contact Lens Fitting (standard)	Up to \$125	Up to \$125	100% after \$55 co-pay	Not Covered		
Frames <sup>2</sup>			\$130 <sup>3</sup> and 20% off remaining balance	Up to \$68		
Contact Lenses			\$130 retail allowance	Up to \$105		
Lenses <sup>4</sup> - per pair			100% after \$25 co-pay	Up to \$40		
Single Vision						
Lined Bifocal					100% after \$25 co-pay	Up to \$60
Lined Trifocal					100% after \$25 co-pay	Up to \$80
Lenticular			100% after \$25 co-pay	Up to \$60		
Standard Progressive			Covered at lined trifocal level after \$25 co-pay	Up to \$49		

Comprehensive In-Network vision participants can receive both lenses and contact lenses in the same calendar year (up to \$130 each).

\*Not all associates are eligible for the Reimbursement Vision Plan.

- <sup>1</sup> Members are required to pay in full for services at the time they are rendered and then submit a claim for reimbursement from the plan.
- <sup>2</sup> Frames are covered once per *every other* calendar year under the Comprehensive Plan. The \$125 allowance for the Reimbursement Plan can be used for any covered expense annually.
- <sup>3</sup> The \$130 retail frames allowance must be used in one transaction.
- <sup>4</sup> Members are limited to one set of eye glass lenses per calendar year under the Comprehensive Plan. The \$125 allowance for the Reimbursement Plan can be used for any covered expense annually.

## VISION PLANS RATES



Both the Reimbursement and Comprehensive vision plans at all tier levels (Associate only, Associate + 1, Family) are fully paid by Republic Airways. **However, you do need to elect coverage when you enroll.**

### DECIDING WHICH VISION PLAN IS BEST FOR YOU

Reimbursement Plan	Comprehensive Plan
<ul style="list-style-type: none"> <li>✓ If your vision provider is out-of-network</li> </ul>	<ul style="list-style-type: none"> <li>✓ If your vision provider is in network</li> <li>✓ If you wear contacts or glasses</li> <li>✓ If you don't want to have to pre-pay and wait for a reimbursement</li> </ul>


### VISION PLANS - EXAMPLE COMPARISONS

EXAMPLE - IN-NETWORK EXAM AND GLASSES		
	Reimbursement Plan	Comprehensive Plan
Exam (average cost - \$68)	\$68	\$10
Frames (average cost - \$70)	\$70	\$0
Lenses (average cost - \$67)	\$67	\$25
Contacts (ave. cost - \$83)	\$83	\$0
Subtotal	\$288	\$35
Reimbursement	\$193	n/a
Out-of-pocket cost to associate	\$95	\$35

**You pay over twice as much for an exam, glasses and contacts with the Reimbursement plan.**

## EXAMPLE – OUT-OF-NETWORK EXAM AND GLASSES

	Reimbursement Plan	Comprehensive Plan
Exam (average cost - \$150)	\$150	\$150
Frames (average cost - \$70)	\$70	\$70
Lenses (average cost - \$67)	\$67	\$67
Subtotal	\$287	\$287
Reimbursement	\$275	--
Amount covered by insurance	--	\$150
Out-of-pocket cost to associate	\$12	\$137

  
**Because the Reimbursement plan covers out-of-network exams at 100%, it can be the better choice if your eye doctor is out of network.**



✓ If you elect vision benefits for 2019 you will not be able to cancel or change your coverage until January 2020, unless you experience a Qualified Life Event (refer to the section titled, Changing Coverage During the Year, in this document for more details).

# SHORT-TERM DISABILITY

Short-term Disability (STD) coverage is designed to replace a portion of your income to help meet your financial obligations should you be unable to work for an extended period of time due to a **non work-related** accident or illness.

New for 2019, Associates have a choice between two STD options:

**50%** 50% of weekly pay up to \$700/week

**60%** 60% benefit up to \$1,000/week

Regardless of which option you select, benefits begin on your 8<sup>th</sup> consecutive day of total disability (as defined by the plan) and coverage can last for up to 26 weeks.

Enrollment into the 60% Option will require you to furnish EOI. Likewise, if you initially elect the 50% Option and later want to increase to the 60% Option an EOI will be required.



If an EOI is required, you will receive information via email. Hartford will notify you directly if you should qualify for the 60% STD Option. If approved, your 60% STD coverage will become effective and the appropriate payroll deductions will begin, you will not have payroll deductions unless or until you are approved.

The premiums for this plan are based on your salary and are withheld on a **post-tax** basis therefore any benefits received are tax free.



Use the following formula to calculate your **per-pay** premium:

**50% Option**

$$\begin{array}{ccccccc}
 \text{Annual Salary} & \div 52 = & \text{Weekly Salary} & \times 50\% = & \text{Weekly STD Benefit (or \$700, whichever is less)} & \div 10 = & \text{STD Rate} & \times .520 = & \text{Your Monthly Contribution} & \div 2 = & \text{Your Per Pay Contribution*}
 \end{array}$$



**60% Option**

	Annual Salary	÷ 52 =	Weekly Salary	X 60% =	Weekly STD Benefit (or \$1,000, whichever is less)	÷ 10 =	STD Rate	X .520 =	Your Monthly Contribution	÷ 2 =	Your <b>Per Pay</b> Contribution*
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### EXAMPLE: 50% OPTION VS. 60% OPTION

Using a base salary of \$42,000 here is an example of how the two STD options would compare. The 60% option would cost approximately \$2 extra dollars per pay, but would pay a higher weekly benefit (\$484.62 vs. \$403.85) should you become disabled.

**50% Option**

	\$42,000	÷ 52 =	\$807.69	X 50% =	\$403.85	÷ 10 =	\$40.38	X .520 =	\$21.00	÷ 2 =	\$10.50
	Annual Salary		Weekly Salary		Weekly STD Benefit (or \$700, whichever is less)		STD Rate		Your Monthly Contribution		Your <b>Per Pay</b> Contribution*

**60% Option**

	\$42,000	÷ 52 =	\$807.69	X 60% =	\$484.62	÷ 10 =	48.46	X .520 =	\$25.20	÷ 2 =	\$12.60
	Annual Salary		Weekly Salary		Weekly STD Benefit (or \$1,000, whichever is less)		STD Rate		Your Monthly Contribution		Your <b>Per Pay</b> Contribution*

## Short-Term Disability Special Notes

### Harvey Watt – Pilot’s Plan

The Short-Term Disability plan described in this document and available to all associates is separate and distinct from the short-term disability plan available for purchase by pilots through the Pilot’s union. The Company’s short-term disability plan does not cover loss of pilot’s medical.

### New York based Associates

The state of New York requires New York workers to be covered by specific disability insurance. Therefore, you will be enrolled in a separate New York STD plan through Hartford and sponsored by Republic. This statutory benefit provides a 50% benefit to a maximum weekly benefit of \$170. Your cost for this plan is determined by the State of New York and is \$1.20 per pay.

In addition to the statutory benefits that you are required to carry, you also may choose to enroll in Republic’s optional Short-Term Disability Plan. The benefits will be offset, meaning you will receive the statutory benefits first, and then the optional plan (if elected) will begin.

### **New Jersey based Associates**

New Jersey state law requires employers to provide temporary disability benefits which covers associates should they become disabled by a non-occupational job injury or illness. Republic provides this coverage through Hartford. The benefits provided through the New Jersey Short-Term Disability Plan are 66 2/3% of average weekly wages up to \$615 (for 2018).

New Jersey based associates should not enroll in the voluntary Short Term Disability plan discussed above. If you transfer out of the New Jersey you can then elect Republic's voluntary Short-Term Disability plan by completing the appropriate Life Event in Workday.

# LONG-TERM DISABILITY

Long Term Disability (LTD) benefits are designed to ensure you and your family's financial safety should you be unable to work for more than 180 days because of a disabling (as defined by the plan) illness or injury. Refer to the Summary Plan Description (SPD) in the Associate Central section of Republic's intranet site for more information. The Company's LTD plan does not cover loss of pilot's medical.

If eligible you may purchase coverage that pays you a benefit of 60% of your earnings (as defined by the plan) to a maximum monthly benefit of \$5,000 per month. This plan also includes a minimum benefit.

**60%**

The premiums for this plan are based on your age and salary and are withheld on a **post-tax** basis.



Although you may enroll in the plan as a new hire without any requirement to provide EOI, the plan does include a pre-existing condition limitation. Refer to the SPD in the Associate Central section of Republic's intranet site for more information about pre-existing conditions.

Any enrollments after your initial opportunity to enroll will require you to furnish EOI. You may or may not be approved for coverage based on Hartford's review of your medical history, therefore we strongly encourage associates to enroll in this benefit as a new hire.

If an EOI is required, you will receive information via email. Hartford will notify you directly if you should qualify for LTD coverage. If approved, your LTD coverage will become effective and the appropriate payroll deductions will begin, you will not have payroll deductions unless or until you are approved.

## LONG-TERM DISABILITY PREMIUMS

Your contribution for LTD coverage is based on your annual salary and your age.

Age	Rate per \$100 of Covered Payroll
< 25	\$0.158
25-29	\$0.175
30-34	\$0.218
35-39	\$0.316
40-44	\$0.564
45-49	\$0.888
50-54	\$1.227
55-59	\$1.418
60-64	\$1.377
65-69	\$1.410



Use the following formula to calculate your **per-pay** premium:

$$\begin{array}{ccccccc}
 \underline{\hspace{2cm}} & \div 12 = & \underline{\hspace{2cm}} & \times \text{Rate} & = & \underline{\hspace{2cm}} & \div 2 = & \boxed{\underline{\hspace{2cm}}} \\
 \text{Annual Salary} & & \text{Monthly} & \text{See} & & \text{Your Monthly} & & \text{Your Per-Pay} \\
 \text{(maximum of} & & \text{Salary} & \text{chart} & & \text{Premium} & & \text{Premium} \\
 \text{\$100,000)} & & & \text{above} & & & & 
 \end{array}$$

For example, if your annual salary is \$55,000, and you are 30 years old, your per-pay LTD premium would be:

$$\begin{array}{ccccccc}
 \underline{\$55,000} & \div 12 = & \underline{\$4,583} & \times \text{Rate} & = & \underline{\$1,347} & \div 2 = & \boxed{\underline{\$6.74}} \\
 \text{Annual Salary} & & \text{Monthly} & \text{(See} & & \text{Your} & & \text{Your Per-} \\
 \text{(maximum of} & & \text{Salary} & \text{chart} & & \text{Monthly} & & \text{Pay} \\
 \text{\$100,000)} & & \text{(maximum} & \text{above)} & & \text{Premium} & & \text{Premium} \\
 & & \text{of \$8333)} & & & & & 
 \end{array}$$

Your LTD benefit payments **will be reduced** by other income you receive or are eligible to receive, such as Social Security Disability insurance, workers' compensation, other employer-based insurance coverage, unemployment benefits, settlements or judgments for income loss, retirement benefits (such as a pension plan).

# LIFE INSURANCE

Republic's life insurance program is administered by The Hartford and offers protection for your family in the event of your death. Life insurance is available to associates after 30 days of employment.

## Basic Life/Accidental Death and Dismemberment Insurance

- Republic Airways provides basic life insurance for you in an amount equal to 2 times your base pay (rounded up to the next \$1,000). The maximum basic life insurance benefit is \$500,000.
- Republic Airways also provides Accidental Death and Dismemberment (AD&D) insurance equal to two times your base pay (rounded up to the next \$1,000) to a maximum of \$500,000 at no cost to you. AD&D insurance offers additional protection for your family in the event of your accidental death or serious injury. If your death is due to an accident, AD&D benefits are paid **in addition to** your Basic Life Insurance.
- Both the basic life insurance and AD&D insurance reduce at age 65, 70, 75, etc. Refer to the Life Certificate (posted in the Associate Central section of Workday) for more details.
- You may be eligible to receive a portion of your AD&D benefits for certain losses within 365 days of a covered accident.

These Life Insurance benefits may be convertible and/or portable.

Life insurance benefits are paid to the beneficiary you designate in the Workday system. You can change your beneficiary at any time by completing the Life Event in Workday. We can only accept a beneficiary designation or change of beneficiary submitted through the Workday/Life Event system. That is, we will not accept emails, phone messages, hand written notes, etc. to designate or change your beneficiary(ies). If you designate yourself as a beneficiary, life insurance is paid to your estate.

## Supplemental Life/AD&D Insurance

In addition to the basic life/AD&D insurance provided by Republic Airways you may purchase additional life/AD&D insurance to fit your needs. Our Supplemental Life/AD&D Insurance program is also administered by The Hartford.

- If you elect supplemental life/AD&D insurance, you pay for the coverage on a **post-tax** basis.
- You may elect coverage between \$10,000 and \$1,000,000 in increments of \$10,000.

NEW FOR  
2019!



**EOI  
REQUIRED!**

- As a new hire you can elect up to \$300,000 in supplemental life/AD&D coverage with no EOI required. However, you will be required to complete and submit EOI to Hartford for any amount you elect in excess of \$300,000.
  - Likewise, if you elect to enroll in or increase your Supplemental Life/AD&D coverage during an open enrollment period you will be required to complete an EOI.
  - If an EOI is required, you will receive information via email. Hartford will notify you directly if you should qualify for additional supplemental life/AD&D insurance coverage. If approved, your supplemental life/AD&D insurance coverage will become effective and the appropriate payroll deductions will begin, you will not have payroll deductions for the requested amount unless or until you are approved.
- Supplemental life/AD&D insurance reduces at age 65, 70, 75, etc. Refer to the Life Certificate (posted in the Associate Central section of Republic's intranet site) for more details.

### **SUPPLEMENTAL LIFE/AD&D INSURANCE RATES**

<b>Your Age</b>	<b>Cost Per \$1000</b>
< 25	\$0.071
25-29	\$0.077
30-34	\$0.097
35-39	\$0.107
40-44	\$0.152
45-49	\$0.241
50-54	\$0.412
55-59	\$0.664
60-64	\$0.878
65-69	\$1.370
70-74	\$2.400
75+	\$3.972

Available in amounts from \$10,000 - \$1,000,000 in \$10,000 units



Use the following formula to calculate your **per-pay** premium:

$$\frac{\text{Supplemental Life Amt Requested}}{1000} \times \text{Rate} \div 2 = \text{Your Per-Pay Premium}^*$$

See chart above

\*Due to rounding, your actual per pay deduction may vary slightly.

For example, if you are 40 years of age and you elect \$40,000 of supplemental life/AD&D insurance you would pay \$3.04 per pay.

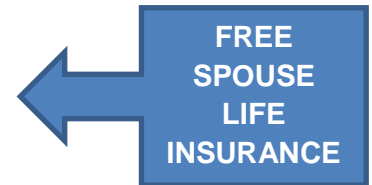
$$\frac{\$40,000}{1000} \times .152 \div 2 = \$3.04$$

See chart above

### SPOUSE LIFE INSURANCE

Republic Airways pays the premium for your spouse life insurance; **however, you must enroll for this benefit.** If you enroll your spouse, he/she will be covered for \$10,000 in basic life insurance.

You will automatically be designated as the beneficiary for spouse life insurance.



### SUPPLEMENTAL SPOUSE LIFE/AD&D INSURANCE



- Republic will continue to provide a basic spouse life benefit. However, beginning in 2019, associates will have an opportunity to purchase additional spouse life/AD&D insurance.
- You may elect coverage between \$10,000 and \$100,000 in increments of \$10,000.
- The premiums for this plan are based on your age (not your spouse's) and are withheld on a **post-tax** basis.
- As a new hire you can elect up to \$30,000 in supplemental spouse life coverage with no EOI required. However, your spouse will be required to complete and submit EOI to Hartford for any amount you elect in excess of \$30,000.
- If an EOI is required, you will receive information via email. Hartford will notify you directly if your spouse should qualify for additional supplemental spouse life/AD&D

insurance coverage. If approved, your supplemental spouse life/AD&D insurance coverage, in excess of \$30,000, will become effective and the appropriate payroll deductions will begin.

- Supplemental spouse life/AD&D insurance reduces at age 65, 70, 75, etc. Refer to the Life Certificate (posted in the Associate Central section of Republic's intranet site) for more details.

## SPOUSE SUPPLEMENTAL LIFE/AD&D INSURANCE RATES

Your Age	Cost Per \$1000
< 25	\$0.078
25-29	\$0.084
30-34	\$0.104
35-39	\$0.114
40-44	\$0.159
45-49	\$0.248
50-54	\$0.419
55-59	\$0.671
60-64	\$0.885
65-69	\$1.377
70-74	\$2.407
75+	\$3.979

Available in amounts from \$10,000 - \$1,000,000 in \$10,000 units

To calculate your **per pay** premium, use the following formula:



$$\frac{\text{Supplemental Life Amt Requested}}{1000} \times \text{Rate} \div 2 = \text{Your Per-Pay Premium}$$

See chart above
Due to rounding, your per-pay premium may vary slightly.

For example, if you are 40 years of age and you elect \$40,000 of spouse supplemental life/ADD insurance you would pay \$3.18 per pay.

$$\frac{\$40,000}{1000} \times .159 \div 2 = \$3.18$$

Supplemental Life Amt Requested
See chart above
Your Per-Pay Premium



## CHILD LIFE INSURANCE

Republic Airways pays the premium for your basic child life insurance; **however, you must enroll for this benefit.** If you enroll your child(ren), they will be covered for \$5,000 (each) in basic life insurance.

You will automatically be designated as the beneficiary for any child life claim submitted.



## SUPPLEMENTAL CHILD LIFE/AD&D INSURANCE



- Republic will continue to provide a basic child life benefit. However, beginning in 2019, associates will have an opportunity to purchase additional child life/AD&D insurance.
- You may elect coverage between \$10,000 and \$30,000 in increments of \$10,000.
- There is no EOI required.
- The premiums for this plan are withheld on a **post-tax** basis.

## SUPPLEMENTAL CHILD LIFE/AD&D INSURANCE RATES



To calculate your **per pay** premium, use the following formula:

$$\frac{\text{Supplemental Child Life/AD\&D Amt. Requested}}{1000} \times .084 \div 2 = \text{Your Per-Pay Premium}^*$$

Due to rounding, your per-pay premium may vary slightly.

For example:

$$\frac{\$30,000}{1000} \times .084 \div 2 = \$1.26$$

Supplemental Child Life/AD&D Amt. Requested      See chart above      Your **Per-Pay** Premium

## **Life Insurance Imputed Income**

Due to IRS regulations the value of some life insurance benefits is taxable.

### **Imputed Income on company paid associate life insurance**

The IRS allows companies to provide associates up to \$50,000 in life insurance tax-free. If the amount of basic life insurance exceeds \$50,000, the IRS considers the cost of providing this additional amount of insurance as taxable wages, or "imputed income". For example, assume your base salary is \$30,000 and the amount of your Company provided life insurance is \$60,000. The cost to provide \$10,000 of life insurance (the amount over \$50,000) is determined by an IRS table based on your age. This amount is your imputed income and is added to your taxable wages. Tax on your imputed income is then deducted from your paycheck each pay period. Imputed income on your paycheck is denoted as GTL (Group Term Life.)

### **Imputed Income on company paid dependent life insurance**

Due to IRS regulations the value of dependent life insurance benefits provided by an employer to its associates is considered a taxable benefit or "imputed income". As Republic Airways provides our associates a benefit of \$10,000 for spouses and \$5,000 for each eligible dependent child, associates must pay taxes on the value of the benefit.

The cost to provide dependent life insurance is determined by an IRS table based on your age. This amount is your imputed income and is added to your taxable wages. Tax on your imputed income is then deducted from your paycheck each pay period.

# FLEXIBLE SPENDING ACCOUNTS



A Flexible Spending Account (FSA) offers a way to save money on eligible dependent care and/or health care expenses for yourself and/or your dependents. The money you put in to a flexible spending account reduces your taxable income. For example, if your pay is \$500, and you put \$100 into a flexible spending account, your taxable wages are now only \$400.

THERE ARE 3  
TYPES OF  
**FSA**  
ACCOUNTS:

1. Health Care FSA (able to roll up to \$500 of unused funds to next calendar year), or
2. Limited-Purpose Health Care FSA (for vision/dental only, able to roll up to \$500 of unused funds to next calendar year), or
3. Dependent Care FSA (not eligible for rollover).

	Health Care FSA*	Limited-Purpose Health Care FSA**
Value CDHP w/HSA	No	Yes
Pilot Health Plan w/HSA	No	Yes
Traditional Plan	Yes	No
Legacy Plan	Yes	No

\*You do not have to be enrolled in one of Republic's medical plans to participate in these FSA accounts.

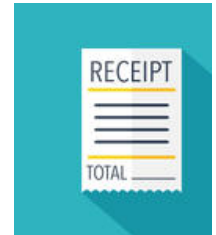
\*\*The limited-purpose Health Care FSA covers eligible dental and vision expenses only. Eligible medical expenses are reimbursed through the HSA account.

Although the three plans are separate and used for different types of expenses, they share some common features.

COMMON  
FEATURES:

- Anthem BCBS administers the FSA program.
- Upon hire, during Open Enrollment, or after a Qualified Life Event, you may enroll and designate how much to contribute to an FSA account for the remaining/upcoming calendar year.
- The minimum amount you may contribute is \$120 per year, which equates to \$5 per pay for 24 pays (or \$4.61 for biweekly associates.)
- The amount you elect to contribute is deducted in equal amounts from your 24 (or 26 for biweekly associates) paychecks on a **pre-tax** basis.
- You must actively re-enroll in the FSA plan(s) each calendar year. You are never automatically re-enrolled.
- You may monitor your account via Anthem's website [www.anthem.com](http://www.anthem.com).

- Anthem’s website also provides more information, including a complete, up-to-date listing of eligible expenses, educational materials and other features.
- You may access your health care funds using a plan debit card. That is, whenever you incur an eligible medical expense, you may elect to use your plan debit card as payment. As long as you have sufficient funds on the card your expense will simply be deducted from your outstanding card balance. The debit card cannot be used for dependent day care expenses.
- If requested, you must supply documentation that the expenses were eligible, so save your receipts. Failure to supply the requested documentation may result in your debit card being turned off or the amounts becoming taxable to you.



## Health Care Flexible Spending Account

Even if you are covered by one or more insurance plans, you probably will have health care costs that you must pay out of your own pocket. You can contribute up to \$2,650 to the health care FSA for 2019. The minimum allowed amount is \$120/year. Your annual election will be spread out through payroll deductions over the 24 periods (or 26 periods bi-weekly Associates.) Your full annual election is accessible on January 1<sup>st</sup> (or the first banking day of the year). Since you do not have to wait for the cash to accumulate in your account, you can use it to pay for your eligible health care expenses immediately. The money you

**The health care flexible spending account can be paired with the Traditional or Legacy medical plans (although you do not need to be enrolled in either medical plan to participate).**

**Min:  
\$120/yr  
  
Max:  
\$2,650/yr**

contribute can be used to cover your out-of-pocket costs not covered by insurance such as\*:

- ✓ Medical Expenses – co-pays, deductibles, coinsurance
- ✓ Dental Expenses – co-pays, deductibles, coinsurance
- ✓ Vision Expenses – co-pays and other out-of-pocket costs
- ✓ Prescription Drug Costs
- ✓ Medical Supplies
- ✓ Orthodontia

\* As allowed by the IRS, please see IRS Publication 502 for further information at [www.irs.gov](http://www.irs.gov) and also in the Associate Central section of Republic’s intranet site.

## Limited-purpose Health Care Flexible Spending Account

A Limited-Purpose Health Care FSA is designed specifically for associates who wish to take advantage of a Consumer Driven Health Plan, while continuing to enjoy the tax savings of an FSA. With the Limited-Purpose Health Care FSA you can contribute up to \$2,650 annually and funds are set aside from your salary before taxes are deducted, allowing you to pay your eligible expenses tax-free. The minimum allowed amount is \$120/year. Your annual election will be spread out through payroll deduction over the 24 deduction periods (or 26 for biweekly associates).

A limited-purpose FSA can be paired with the Value CDHP or the Pilot Health Plan (although you do not need to be enrolled in either medical plan to participate.)

Limited-purpose FSAs can be used for Dental and Vision expenses ONLY

## Roll Over up to \$500 of unused FSA Health Care Funds

The IRS has authorized rollover of unused contributions up to \$500 of your health care or limited-purpose health care FSA account. This is automatically done for our associates and the rollover funds are available after April 1 of the following year. Any monies greater than \$500 will not be rolled over and will be forfeited. Rollover of unused Dependent Care FSA monies is not allowed by the IRS.

## Dependent Care Flexible Spending Account

Whether it is day care for children or special care for a disabled person of any age, dependent care is expensive. A Dependent Care FSA can help! You may elect to participate in the Dependent Care FSA whether you are single or married. Unlike the Health Care FSA, **you can only access the money that is currently in your account.** If you are married, your spouse must work, or be a full-time student at least five months during the year, or disabled in order for you to be eligible for this plan. Money you contribute to a Dependent Care FSA can be used toward day care expenses for a child under age 13 who requires care in order for you to work, or a physically or mentally disabled child of any age, spouse, or parent who requires care in order for you to work. You cannot pay a provider in your immediate family from this account.

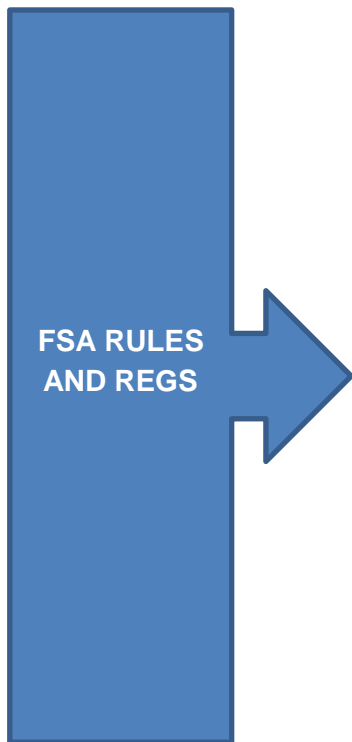
You can make pre-tax contributions to the Dependent Care FSA up to a maximum of:

- \$5,000 (if you are single or married and filing jointly), or
- \$2,500 (if you are married and filing separately)

- If either you or your spouse earns less than \$5,000 a year, your maximum annual contribution is equal to the lower of your two incomes.
- The minimum allowed amount is \$120/year.
- Your annual election will be spread out through payroll deduction over the 24 deduction periods (or 26 for biweekly associates).
- No rollover of unused funds is authorized by the IRS.

## Things to Consider Before Enrolling in a Flexible Spending Account

Because Flexible Spending Accounts are governed by Section 125 of the Internal Revenue Service (IRS) code, there are specific rules and regulations that affect the way the accounts operate:



- Elections must be made in advance. You must decide at the time of enrollment how much you want to contribute to your FSA account(s) for the remainder of or next calendar year.
- You must contribute a minimum of \$120 per year for each FSA you elect.
- Once you have made your election for the year, you can change it only if you have a Qualified Life Event (refer to the section titled, [Changing Coverage During the Year](#), earlier in this document). The change in your election must coincide with the event.
- Be prepared to budget carefully. You will, however, have a run-out period after the end of the year (until March 31) to request reimbursement for any expenses you **incurred** during the plan year. After March 31, up to \$500 for the Health Care FSA or Limited-Purpose Health Care FSA may be rolled over to the next calendar year. The IRS mandates that any money over the \$500 limit in your Health Care FSA or Limited-Purpose Health Care FSA account at the end of the year will be forfeited. All monies left in the Dependent Care FSA after the run-out period are forfeited.
- Money from one account cannot be used for the other account's expenses. That is, health care account money can only be used for health care expenses and dependent care account money can only be used for dependent care expenses.

## Coverage for Dependents up to Age 26

Eligible health care expenses for your children up to the age of 26 can be submitted and reimbursed through your Health Care FSA or Limited-purpose Health FSA. Your dependents up to age 26 do not need to be enrolled in your health plan for you to use your Health Care FSA to pay for their eligible health care expenses.

## 401(k)

As an associate, you may elect to participate in the Republic Airways Holdings Inc. 401(k) Plan at any time (in some cases, our associates are automatically enrolled in the Plan). The 401(k) Plan allows you to save for your retirement on a before-tax basis or through the Roth after-tax option and has the

advantage of helping you save on your state and federal taxes.

You must be at least **18** years old to participate



There are numerous investment selections to choose from. There is a useful guide detailing the plan investment options in the Associate Central section of Republic's intranet site. Scroll down to Retirement - 401(k) and click on [How to Enroll - Schwab Retirement Plan Enrollment Guide](#).

**Republic Associates receive match and are vested immediately!**

# 1% - 90%

You may elect to contribute from 1% to 90% of your pay each pay period (up to the federal annual maximum allowed).

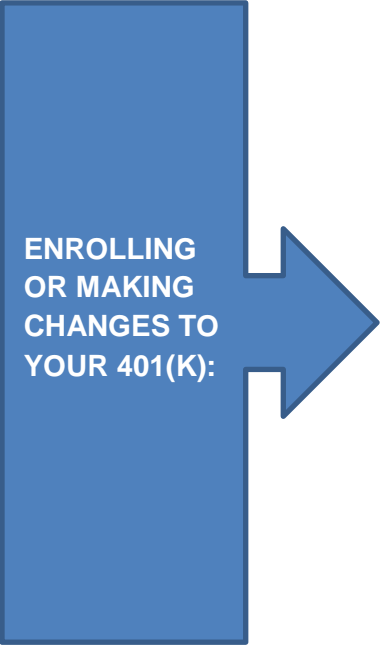
You can check on your account by reviewing the quarterly statements on Schwab's website [www.workplace.schwab.com](http://www.workplace.schwab.com). You may make changes at any time via the internet or by calling Schwab directly at (800) 724-7526.

Beginning from your date of hire, Republic matches 100% of your contributions (up to the maximums below) immediately upon enrollment in the plan:

COMPANY MATCH SCHEDULE – FLIGHT ATTENDANTS	
0-5 years of service	100% of the first 2.5% contributed
6-12 years of service	100% of the first 4% contributed
13+ years of service	100% of the first 6% contributed

**COMPANY MATCH SCHEDULE – PILOTS, DISPATCHERS AND NON-UNION ASSOCIATES**

0>5 years of service	100% of the first 3% contributed
5>12 years of service	100% of the first 5% contributed
12>15 years of service	100% of the first 7% contributed
15+ years of service	100% of the first 8% contributed



- Enrollment in the 401(k) plan is quick and easy. You can enroll via the internet or by phone. Please don't forget to add your beneficiary!
- Newly hired or rehired, non-union associates will automatically be enrolled at 6% after one month of employment if they do not affirmatively elect a different contribution rate or elect to "opt-out" of the plan. Each year the contribution amount will increase by 1% automatically, unless any change is made in contribution amount or an election to "opt-out" of the plan is made.
- Newly hired or rehired Pilots will automatically be enrolled at 3% after one month of employment if they do not affirmatively elect a different contribution rate or elect to "opt-out" of the plan.
- Dispatchers or Flight Attendants are welcome to enroll at any time at a contribution level of choice.
- Enrollment in the plan or changes may be requested at any time.
- Participants may choose between a percentage of eligible compensation or a flat dollar contribution.





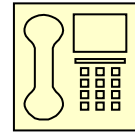
Enroll at [www.workplace.schwab.com](http://www.workplace.schwab.com)

1. Use the **Register Now** link to establish your login ID and password.
2. Once you have successfully created your login credentials, you will be able to log in to [www.workplace.schwab.com](http://www.workplace.schwab.com) or the Schwab Workplace Retirement app and follow the prompts to enroll.



**OR**

Call (800) 724-7526 to speak with a Schwab Participant Services Representative from 7:00 a.m. to 11:00 p.m. ET, Monday through Friday.



# EMPLOYEE ASSISTANCE PROGRAM



We are pleased to offer Anthem's Employee Assistance Program (EAP) free of charge to you and your dependents. The EAP can be accessed at [www.AnthemEAP.com](http://www.AnthemEAP.com) or by calling (800) 865-1044 and entering Republic Airways. Both the website and the phone line are available 24/7/365.

Confidential services offered include:

→ **Web-based Information, Tools and Resources**

You and your family members have access to multiple resources at [www.AnthemEAP.com](http://www.AnthemEAP.com). The site provides extensive EAP and Work Life information with links to resources and thousands of current articles and tips on managing personal and professional situations. It also offers interactive tools including self-assessments and dependent care searches.

→ **Telephone Counseling & Referral Services**

You and your family members have unlimited access to Anthem's EAP for information, referrals, and crisis assistance.

→ **Face-to-Face Counseling Visits**

You and/or your family member will be connected to a local qualified and reputable provider in the Anthem EAP network. You and/or your family members may receive up to three face-to-face visits per issue per year, at no cost to you. If you need ongoing assistance, the EAP will help you connect with a qualified resource.

• **Legal & Financial Referral & Consultation**

You and/or your family members will receive a referral and telephone consultation free of charge for legal or financial concerns like divorce, financial planning, or credit issues.

→ **Convenience Services**

As a member, you may receive information on recreational activities, education, household needs, pet services, home improvement, wellness and prevention, etc.

→ **Elder Care & Child Care Referral**

As a member, you can access a list of care resources in your area. With the EAP you can conduct a search or request assistance over the phone. One of Anthem's specialists will find resources that meet your specific needs and supply you with information you need including hours of operation, availability, contact information, and verified resources along with relevant articles.

→ **Children and Families**

Information and services are available regarding adoption support, special needs support, help for teens, help for non-traditional families, family communication skills training, camps, school issues, college selection, financial aid assistance and more.

→ **Elder Services**

Medicare/Medicaid support, transportation, retirement planning, legal services, respite care, and support services information are all available.

# COMMUTER BENEFITS



A Commuter Expense Reimbursement Account allows you to use pre-tax dollars to pay for parking and commuting expenses that you incur in order to work. Following is a description of this plan as administered by Anthem.

## How the plan works:

→ You can elect to participate in the plan at any time during the year. You can also opt in or out of the plan, or change your election amount on a monthly basis. In order to have your benefits begin on the first of the month, the election must be made by the 10th day of the previous month.

### → Enrollment:

- Log in to your account at [anthem.com](http://anthem.com) .
- Click “Enroll/Update Commuter Election.”
- Find your metropolitan area and transit or parking vendor.
- Select from the available products.

→ You can choose to participate in the Transit & Vanpool Option and/or the Parking Option. These elections are completely independent; funds cannot be transferred between the two.

### → Monthly Maximum Statutory limits:

- **Parking:** \$250 per month
- **Transit:** \$130 per month

→ For more information, see the [Commuter Benefits “How To” Guide](#) in the Associate Central section of Republic’s intranet site.

# EMPLOYEE DISCOUNTS

Republic Airways offers an associate discount marketplace through BenefitHub. To enroll, go to [www.rjet.benefithub.com](http://www.rjet.benefithub.com). BenefitHub features:

**Exclusives**—Discounts arranged for associates by the Company, such as Amusement Parks, Ski Resorts, Cell Phone Plans, Electronics, Lodging, Airport Parking, etc.

**BenefitHub Discount Deals on 100,000+ products and services:**

Apparel	Auto	Beauty & Fragrance	Business & Office	Electronics
Finance	Food	Pet Care	Flowers/Gifts	Home & Family
Tickets	Travel	Games & Movies	Books & Music	Fitness
Sports & Outdoors				

**Local Deals**—Groupon, Living Social—50,000 local offers, regardless of employee's location + cash back



# ELIGIBILITY NOTES

## Eligibility for Benefit Coverage

- Any regular associate regardless of hours worked is eligible to enroll in most benefits. Associates must work a minimum number of hours to be eligible for the disability and life benefits. Temporary associates, contractors and interns are **not** eligible for benefits.
- Your legal spouse or your common law spouse (if recognized by your state of residence). By enrolling your spouse for coverage, you are certifying that you are legally married to that individual.
- Your biological children, stepchildren, legally adopted children, or a child for whom you have legal guardianship, up to the age of 26.
- Your unmarried, disabled child(ren) who are under your care.

You may be required to provide documentation of marriage, paternity, adoption, age or other eligibility criteria to document your relationship with any person you have enrolled for coverage. You must provide that documentation upon the request of the plan administrator.

## Documentation of Dependent Status

Proof of dependent eligibility may be requested at any time. Failure to provide documentation, if requested, will result in cancellation of dependent coverage. Enrollees will be notified when a dependent audit is being conducted. Falsification of documentation, misrepresentation of dependent status, or other fraudulent actions to obtain coverage not otherwise allowed may constitute a criminal act.

## Common Law Spouse

To add a Common Law Spouse during the annual Open Enrollment period, no documentation is required (however, as with any dependent, proof of dependent eligibility may be requested from time to time). To add a Common Law Spouse as the result of a Qualified Life Event you must submit the Company-approved, [Affidavit Declaring Common Law Marriage](#) form. This form is available upon request or can be found in the Associate Central section of Republic's intranet site.

## If Both You and Your Spouse Work for Republic Airways

If you and your spouse both work for Republic Airways, you cannot be covered as both an associate and a dependent under any plan(s). In addition, your eligible dependent children can be covered under either your plan or your spouse's plan, but not both. If you and your spouse enroll in each other's plans and/or you both enroll dependent children on your plan(s), you may only receive benefit payments from one plan and no refund of payroll deductions will be made. As a result, it is important that you and your spouse coordinate enrollments with each other.

## Change of Dependent Status

You are responsible for notifying the Benefits Department of a dependent's ineligibility due to divorce or age within 60 days of the date it occurs. No premium refund will be available for any

notice that occurs after 60 days. In addition, you will forfeit your right to COBRA coverage. This is different than a Qualified Life Event which requires notification within 30 days. See section [Changing Coverage During the Year](#) for more information.

## **Enrolling or Making Changes to Your Benefits**

Mid-year plan changes are allowed to the extent permitted by law and plan requirements. Generally, there are only certain times during the year that you may enroll, make changes, or cancel benefits. Those opportunities include:

- As a newly hired Associate
- During the annual Open Enrollment period
- Upon experiencing a Qualified Life Event.

Please contact the Benefits Department for more information about making mid-year changes to your benefits.

You must enroll or make changes using the Workday online system. In addition, there are time limits associated with each, and there are some benefits that cannot be elected, changed or cancelled mid-year for any reason. Refer to the section titled [Changing Coverage During the Year](#) for more details.

## **Changing Coverage During the Year**

Pay special attention and consider your options carefully before enrolling, because generally once your initial eligibility period has expired or Open Enrollment has ended, you will not be able to change your elections or enroll in benefits until the next open enrollment period. An exception to this is if you should experience a Qualified Life Event.

Qualified Life Events include:

- Marriage, legal separation or divorce (a common-law spouse may not be dropped from coverage mid-year without proof of a legal separation or divorce)
- Birth, adoption or gaining legal guardianship of a child
- Death of a dependent
- Termination or commencement of employment of your spouse, resulting in either loss of coverage or enrollment in new coverage
- Switching from part-time to full-time employment status or from full-time to part-time status (including the start or end of an unpaid leave of absence)
- Your spouse switching from part-time to full-time employment status
- Significant change in your spouse's health coverage
- Loss of COBRA eligibility under another plan
- Loss of dependent's eligibility through loss of custody or dependents exceeding the age limit, marrying or entering military service
- Change in cost or hours of dependent day care (Dependent Care FSAs only)
- Judgment, decree or court order that requires or ends coverage

- Gain of Medicare or Medicaid eligibility by a dependent.

You must make any changes in the Workday online system **and** supply the required documentation\* to the Benefits Department **within 30 days** of the Qualified Life Event. The change to your elections will not be processed until both requirements have been met. The only exception is if you need to change coverage because your Medicaid or state children's health insurance plan coverage was terminated, or if you become eligible for premium assistance under Medicaid or a state children's health insurance program. In those instances you have 60 days to make changes.

\*Contact the Benefits Department at [benefits@rjet.com](mailto:benefits@rjet.com) or 317-471-2285 to find out what documentation is required to make coverage changes after a Qualified Life Event. Do **NOT** wait for the receipt of an official birth certificate, marriage license, Social Security card, etc., before submitting a life event. Contact the Benefits Department and we will provide you with a list of acceptable alternative documents. Cancellation of some benefits requires no documentation.



## Enrolling for Benefits Using the Workday Online System

It is your responsibility to enroll in the benefit plans of your choice using the Workday online system. Instructions for enrolling using this system can be found in the Associate Central section of Republic's intranet site. To enroll you will need:

- Your login ID and your network password. If you do not know your password, call (317) 484-6074. This line is answered 24/7.
- Your dependent and beneficiary's information, including dates of birth and social security numbers.
- A printer so you can print your confirmation statement.

## When Your Coverage Begins

- As a new hire your elected coverage(s) begins after 30 days of employment.
- If you make changes due to a Qualified Life Event your coverage will begin on the effective date of that event. For example, if your Qualified Life Event is marriage and you elect to enroll your new spouse, his/her coverage would begin on the date of your marriage. Refer to the section titled, [Changing Coverage During the Year](#) earlier in this document for more details.

## Paying for coverage



Some of the benefits offered to you are entirely paid by Republic, others are a shared responsibility requiring contributions by both you and Republic, and others, if elected, are fully paid by you. Please review the following information regarding paying for your benefits.



- Premiums (your contributions toward the cost of coverage) are deducted equally from twenty-four paychecks per year. The only exceptions are 401(k) and Flexible Spending Account (FSA) deductions which are withheld 26 times per year for those associates paid on a biweekly basis.
- If you are a new hire and enroll late in your 30-day eligibility period or if you make changes due to a Qualified Life Event you may owe for missed premiums. If this happens, we will adjust your next check for any missed premium(s). This may require a double deduction from your paycheck(s) to “catch up” on premiums owed. If you change or drop coverage due to a Qualified Life Event resulting in an end or reduction in your premiums, we will refund you those amounts on the first possible paycheck.
- Associates who do not receive a paycheck or receive a reduced paycheck (e.g., associates on leave without pay or part-time associates with no hours during the payroll period) will owe for any missed premiums. This may require a double deduction from future paychecks to “catch up” on premiums owed or you may be required to send payments in order to retain your coverage. Failure to pay for your benefits, or allowing your benefits payments to go into arrears, may result in retroactive cancellation of your coverage. Cancellation of coverage for non-payment may not be a COBRA qualifying event. In addition, if you are a participant in the Legacy Plan and you lose that coverage due to non-payment you will not be able to return to the Legacy Plan.


## When Your Coverage Ends

- Your benefits coverage ends on the last day of the month in which your employment ends or changes to an ineligible status. If your employment termination date is the last day of a month, your benefits end on that date. Examples:
  - If your last day of employment is June 12, your benefits will end on June 30.
  - If your last day of employment is June 30, your benefits will end on June 30.
- Benefits coverage for dependents who no longer meet eligibility requirements ends on the last day of the month in which they lose eligibility. For example, a child’s coverage would end on the last day of the month of their 26<sup>th</sup> birthday; an ex-spouse’s coverage would end on the last day of the month the divorce is finalized; or in the event of an associate’s death, dependents would be covered until the last day of the month of the passing.
- If your coverage ends due to a Qualified Life Event wherein you became eligible for other coverage (e.g., you get married and go on your new spouse’s plan or you enroll in other coverage) your coverage ends on the day before your new coverage starts.

# MEDICAL COVERAGE—ADDITIONAL COMPARISON EXAMPLES

## Associate Only Examples

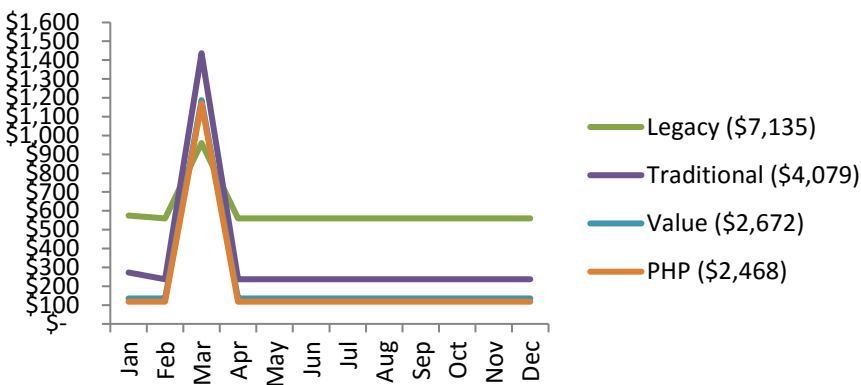
“MEDIUM USE” EXAMPLE

 Todd	Coverage Level	<b>Associate Only</b>
	Health Expenses for 2019:	One Preventive Office Visit @ \$90
		Sick Office Visit @ \$90 in Jan, 2019
		One Generic Antibiotic @ \$22 in Jan, 2019
	Minor surgery on ankle @ \$4,000 in Mar, 2019	

	Pilot Health Plan w/HSA	Value CDHP Plan w/HSA	Traditional Plan	Legacy Plan
Preventive Office Visit	\$0	\$0	\$0	\$0
Sick Visit w/physician	\$90	\$90	\$25	\$10
Generic Prescription	\$22	\$22	\$10	\$5
Minor Surgery*	\$1,750	\$1,750	\$1,200	\$400
<b>Subtotal Medical Expenses</b>	<b>\$1,862</b>	<b>\$1,862</b>	<b>\$1,235</b>	<b>\$415</b>
Republic's HSA Contribution	(\$850)**	(\$850)**	N/A	N/A
Annual Premium	\$1,416	\$1,620	\$2,844	\$6,720
<b>Total Annual Cost</b>	<b>\$2,428</b>	<b>\$2,632</b>	<b>\$4,079</b>	<b>\$7,135</b>


\* Deductible and co-insurance apply  
 \*\* Todd uses his entire 2019 HSA balance and will not roll any amount over to 2020.

The chart below shows how the associate's expenses would occur over time (assuming the medical expenses occurred in January and March, 2019.)



✓ The Legacy plan would cost Todd almost 3 times more than a CDHP!  
 ✓ Todd would save around \$1,500 over the year

“HIGH USE”  
EXAMPLE

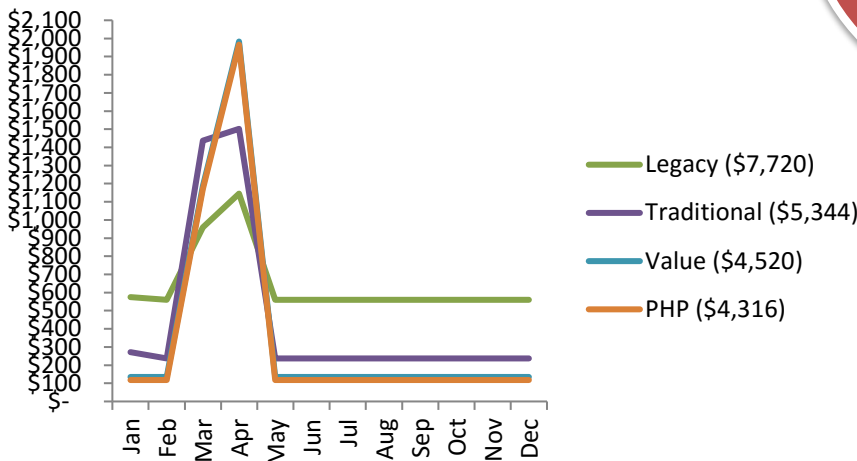
	Coverage Level	<b>Associate Only</b>
	Health Expenses for 2019:	One Preventive Office Visit @ \$90
		One Sick Office Visit @ \$90
		One Generic Antibiotic @ \$22
		Minor surgery on ankle @ \$4,000 in May, 2019
		Major surgery on ankle @ \$64,000 in Apr, 2019

	Pilot Health Plan w/HSA	Value CDHP Plan w/HSA	Traditional Plan	Legacy Plan
Preventive Office Visit	\$0	\$0	\$0	\$0
Sick Visit w/physician	\$90	\$90	\$25	\$10
Generic Prescription	\$22	\$22	\$10	\$5
Minor Surgery*	\$1,750	\$1,750	\$1,200	\$400
Major Surgery*	\$1,888	\$1,888	\$1,265	\$585
<b>Subtotal Medical Expenses</b>	<b>\$3,750</b>	<b>\$3,750</b>	<b>\$2,500</b>	<b>\$1,000</b>
Republic's HSA Contribution	(\$850)**	(\$850)**	N/A	N/A
Annual Premium	\$1,416	\$1,620	\$2,844	\$6,720
<b>Total Annual Cost</b>	<b>\$4,316</b>	<b>\$4,520</b>	<b>\$5,344</b>	<b>\$7,720</b>


\*Deductible and co-insurance apply  
\*\*Todd uses his entire 2019 HSA balance and will not roll any amount over to 2020.

✓ Under all plans Todd hits his out-of-pocket maximum.  
✓ Despite the high medical costs, a CDHP is still Todd's best options!

The chart below shows how the associate's expenses would occur over time (assuming the medical expenses occurred in January - May, 2019.)



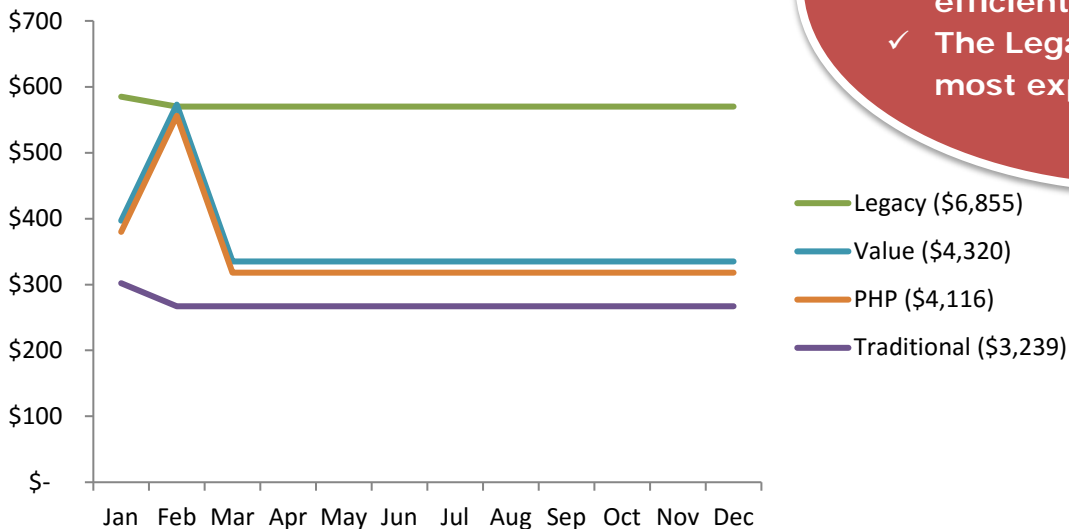
**“HIGH Rx”  
EXAMPLE**

	Coverage Level	<b>Associate Only</b>
	Health Expenses for 2019:	One Preventive Office Visit @ \$90
		One Sick Office Visit @ \$90 in Jan, 2019
		One Generic Antibiotic @ \$22 in Jan, 2019
	Brand Name Rx @ \$1,000/month for 12 months	

	<b>Pilot Health Plan w/HSA</b>	<b>Value CDHP Plan w/HSA</b>	<b>Traditional Plan</b>	<b>Legacy Plan</b>
Preventive Office Visit	\$0	\$0	\$0	\$0
Sick Visit w/physician	\$90	\$90	\$25	\$10
Generic Prescription	\$22	\$22	\$10	\$5
Brand name Prescription	\$3,438	\$3,438	\$360	\$120
<b>Subtotal Medical Expenses</b>	<b>\$3,550</b>	<b>\$3,550</b>	<b>\$395</b>	<b>\$135</b>
Republic's HSA Contribution	(\$850)*	(\$850)*	N/A	N/A
Annual Premium	\$1,416	\$1,620	\$2,844	\$6,720
<b>Total Annual Cost</b>	<b>\$4,116</b>	<b>\$4,320</b>	<b>\$3,239</b>	<b>\$6,855</b>

\*Todd uses his entire 2019 HSA balance and will not roll any amount over to 2020

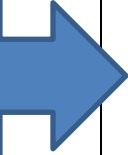

The chart below shows how the associate's expenses would occur over time (assuming Todd takes his prescription monthly throughout 2019.)



✓ In this example, due to Todd's expensive prescriptions, the Traditional plan is more cost efficient than the CDHP.

✓ The Legacy plan remains the most expensive option.

## Family Examples

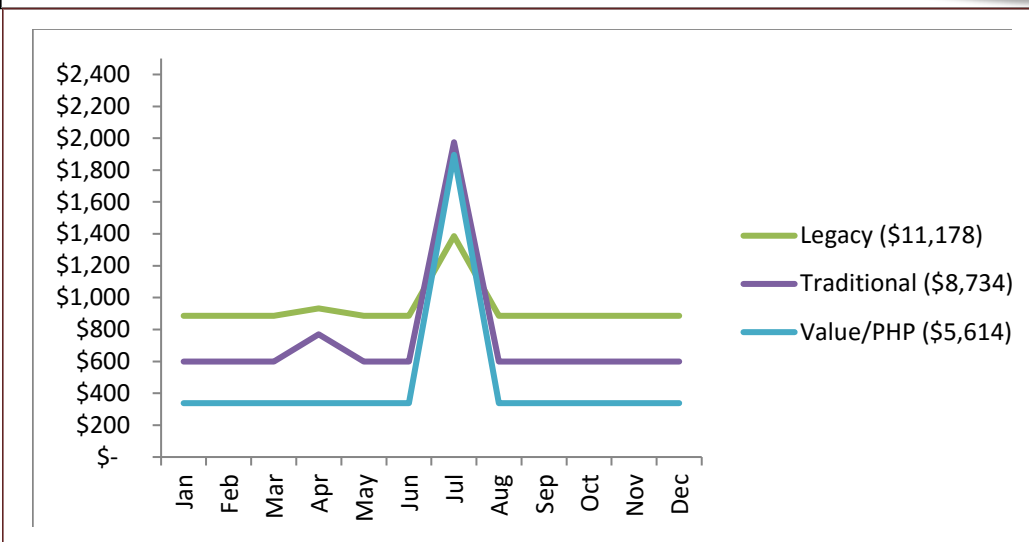
<p><b>"MEDIUM USE" EXAMPLE</b></p> 	<p>Caroline</p> 	Coverage Level	<b>Family</b>
		<p>Health Expenses for 2019:</p>	Five Preventive Office Visits @ \$90 each
			Two Sick Visits @ \$90 each in Apr, 2019
			Two Strep tests @ \$30 each in Apr, 2019
			Two Brand Name Prescriptions @ \$125 each in Apr, 2019
		Out-patient surgery @ \$5,000 in Jul, 2019	

	Pilot Health Plan w/HSA	Value CDHP Plan w/HSA	Traditional Plan	Legacy Plan
5 Preventive Office Visits	\$0	\$0	\$0	\$0
2 Sick Visits w/physician	\$180	\$180	\$50	\$20
Strep Test Lab Work*	\$60	\$60	\$60	\$6
2 Brand Prescriptions	\$250	\$250	\$60	\$20
Surgery*	\$2,768	\$2,768	\$1,376	\$500
<b>Subtotal Medical Expenses</b>	<b>\$3,258</b>	<b>\$3,258</b>	<b>\$1,546</b>	<b>\$546</b>
Republic's HSA Contribution	(\$1,700)**	(\$1,700)**	\$0	\$0
Annual Premium	\$4,056	\$4,056	\$7,188	\$10,632
<b>Total Annual Cost</b>	<b>\$5,614</b>	<b>\$5,614</b>	<b>\$8,734</b>	<b>\$11,178</b>


\*Deductible and coinsurance apply  
 \*\*Caroline uses her entire 2019 HSA balance and will not roll any funds into 2020.

The chart below shows how the associate's expenses would occur over time (assuming Caroline's surgery occurs in July, 2019.)

When deciding which medical plan is best for you, it's important to compare the **total costs**.



**"HIGH USE"  
EXAMPLE**

Caroline 	Coverage Level	<b>Family</b>
	Health Expenses for 2019:	Five Preventive Office Visits @ \$90 each
		Two Sick Visits @ \$90 each in Apr, 2019
		Two Strep tests @ \$30 each in Apr, 2019
		Two Brand Name Prescriptions @ \$125 each in Apr, 2019
		Out-patient surgery @ \$5,000 in Jul, 2019
Hospitalization @ \$200,000 in Aug, 2019		

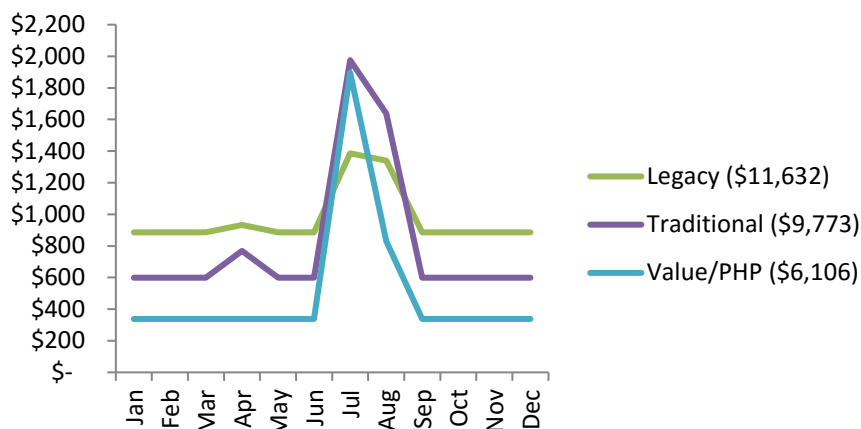
	Pilot Health Plan w/HSA	Value CDHP Plan w/HSA	Traditional Plan	Legacy Plan
5 Preventive Office Visits	\$0	\$0	\$0	\$0
2 Sick Visits w/physician	\$180	\$180	\$50	\$20
Strep Test Lab Work*	\$60	\$60	\$60	\$6
2 Brand Prescriptions	\$250	\$250	\$60	\$20
Surgery*	\$2,768	\$2,768	\$1,376	\$500
Hospitalization	\$492	\$492	\$1,039	\$454
<b>Subtotal Medical Expenses</b>	<b>\$3,750</b>	<b>\$3,750</b>	<b>\$2,585</b>	<b>\$1,000</b>
Republic's HSA Contribution	(\$1,700)**	(\$1,700)**	\$0	\$0
Annual Premium	\$4,056	\$4,056	\$7,188	\$10,632
<b>Total Annual Cost</b>	<b>\$6,106</b>	<b>\$6,106</b>	<b>\$9,773</b>	<b>\$11,632</b>

\*Deductible and coinsurance apply  
 \*\*Caroline uses her entire 2019 HSA balance and will not roll any funds into 2020.

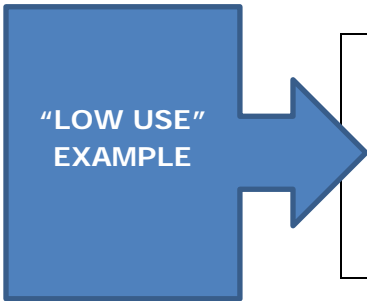
When deciding which medical plan is best for you, it's important to compare the **total** costs.


A CHDP w/HSA is the most cost effective option for Caroline and her family.

The chart below shows how the associate's expenses would occur over time (assuming the surgery and hospitalization occurred in July and August, 2019.)



## Associate+1 Examples



 Gina	Coverage Level	<b>Associate + 1</b>
	Health Expenses for 2019:	Two Preventive Office Visits @ \$90 each
		One generic prescription @ \$20/month for 12 months

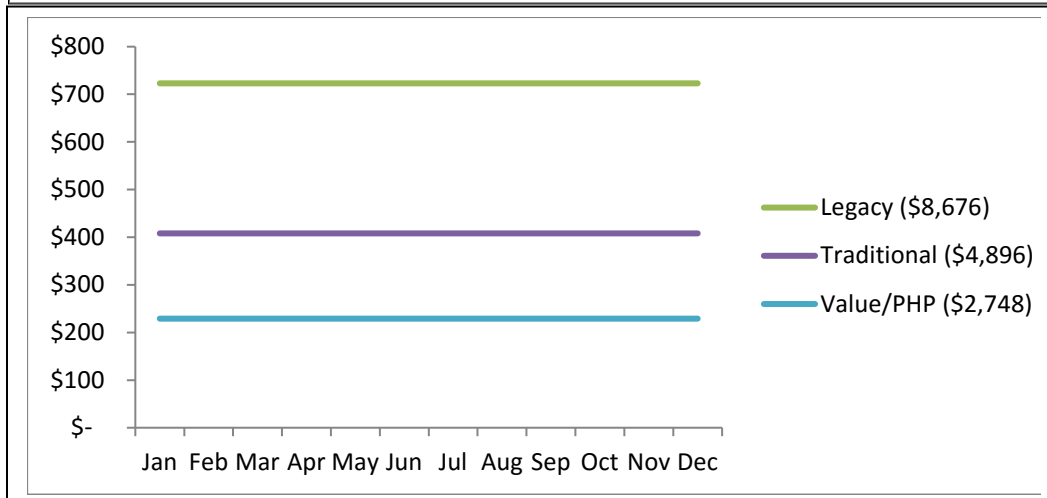
	Pilot Health Plan w/HSA	Value CDHP Plan w/HSA	Traditional Plan	Legacy Plan
2 Preventive Office Visits	\$0	\$0	\$0	\$0
1 Generic Prescription	\$240	\$240	\$120	\$60
<b>Subtotal Medical Expenses</b>	<b>\$240</b>	<b>\$240</b>	<b>\$120</b>	<b>\$60</b>
Republic's HSA Contribution	(\$1,700)*	(\$1,700)*	\$0	\$0
Annual Premium	\$2,748	\$2,748	\$4,776	\$8,616
<b>Total Annual Cost</b>	<b>\$2,748</b>	<b>\$2,748</b>	<b>\$4,896</b>	<b>\$8,676</b>

\*Gina rolls \$1,460 of her HSA balance into 2020.


When deciding which medical plan is best for you, it's important to compare the **total** costs.

A CHDP w/HSA is the most cost effective option for Gina and her spouse.

The chart below shows how the associate's expenses would occur over time in 2019.



**"MEDIUM USE" EXAMPLE**

 <p>Gina</p>	Coverage Level	<b>Associate + 1</b>
	Health Expenses for 2019:	Two Preventive Office Visits @ \$90 each
		One generic prescription @ \$20/month for 12 months
		Four Sick visits @ \$90 each in May, Jun, Jul and Sep, 2019
	Lab work @ \$250 in Sep, 2019	

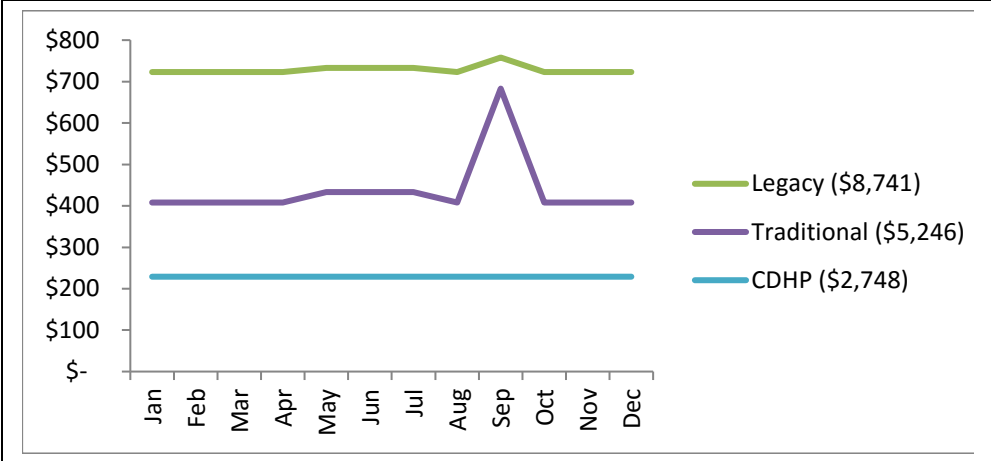
	Pilot Health Plan w/HSA	Value CDHP Plan w/HSA	Traditional Plan	Legacy Plan
2 Preventive Office Visits	\$0	\$0	\$0	\$0
1 Generic Prescription	\$240	\$240	\$120	\$60
4 Sick Office Visits	\$360	\$360	\$100	\$40
Lab work*	\$250	\$250	\$250	\$25
<b>Subtotal Medical Expenses</b>	<b>\$850</b>	<b>\$850</b>	<b>\$470</b>	<b>\$125</b>
Republic's HSA Contribution	(\$1,700)**	(\$1,700)**	\$0	\$0
Annual Premium	\$2,748	\$2,748	\$4,776	\$8,616
<b>Total Annual Cost</b>	<b>\$2,748</b>	<b>\$2,748</b>	<b>\$5,246</b>	<b>\$8,741</b>

\*Deductible and coinsurance apply  
 \*\*Gina rolls \$850 of her HSA balance into 2020.

When deciding which medical plan is best for you, it's important to compare the **total** costs.


- ✓ The Legacy plan would cost Gina over 3 times more than the CDHP!
- ✓ The Traditional plan would cost her almost twice as much as a CDHP!

The chart below shows how the associate's expenses would occur over time (assuming the lab work occurred in September, 2019.)





**"HIGH USE" EXAMPLE**

	Coverage Level	<b>Associate + 1</b>
	Health Expenses for 2019:	Two Preventive Office Visits @ \$90 each
		One generic prescription @ \$20/month for 12 months
		Four Sick visits @ \$90 each in May, Jun, Jul and Sep, 2019
		Lab work @ \$250 in Sep, 2019
Hospitalization @ \$12,000 in Oct, 2019		

	Pilot Health Plan w/HSA	Value CDHP Plan w/HSA	Traditional Plan	Legacy Plan
2 Preventive Office Visits	\$0	\$0	\$0	\$0
1 Generic Prescription	\$240	\$240	\$120	\$60
4 Sick Office Visits	\$360	\$360	\$100	\$40
Lab work*	\$250	\$250	\$250	\$25
Hospitalization*	\$2,900	\$2,900	\$2,030	\$875
<b>Subtotal Medical Expenses</b>	<b>\$3,750</b>	<b>\$3,750</b>	<b>\$2,500</b>	<b>\$1,000</b>
Republic's HSA Contribution	(\$1,700)**	(\$1,700)**	\$0	\$0
Annual Premium	\$2,748	\$2,748	\$4,776	\$8,616
<b>Total Annual Cost</b>	<b>\$4,798</b>	<b>\$4,798</b>	<b>\$7,276</b>	<b>\$9,616</b>

\*Deductible and coinsurance apply

\*\*Gina uses her entire HSA balance and will not roll into funds into 2020.

When deciding which medical plan is best for you, it's important to compare the **total costs**.

Despite the high medical expenses, a CHDP w/HSA is the most cost effective option for Gina and her spouse.

