

**NRECA Dental Plan – Enhanced Plan**

Type of Service:	The Plan Pays*:	Deductible Applies?:	Benefit Maximum:	Who is Eligible:
Preventive and Diagnostic	100%	No	\$2,000	All those enrolled in the Plan
Basic	80%	No		
Major	50%	Yes, \$50 per person per calendar year		
Orthodontia	50%	No	\$2,000 per eligible person per lifetime	All those enrolled in the plan

- These are percentages of the reasonable and customary charges for a covered service. In no case will the Plan pay more than the reasonable and customary charge for a covered service. (See Key Terms section for definition of reasonable and customary charge)

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## **Who is Eligible for Coverage**

### ***Groups Eligible for Coverage***

The following groups are eligible for coverage under the Plan:

- Active Employees
- Dependents of Employees
- Disabled Employees
- Dependents of Disabled Employees

Your employer treats employees who are out on long term disability (as defined by your employer's long-term disability plan) as active employees for purposes of eligibility to participate in this Plan.

The following job classifications (or titles) of employees are not eligible for coverage under the Plan:

Other:

Retirees and Retirees dependents are only eligible for dental coverage under COBRA for 18 months after retirement. Long-term disability employees and dependents may have dental coverage for one year then they are no longer eligible until they return to work.

If you have any questions, please see your Benefits Administrator.

### ***Other Eligibility Requirements***

In addition, to be eligible for coverage as an active employee, you must:

- Be expected to work at least 1,000 hours as an active employee during your first 12 months of employment;
- Have worked at least 1,000 hours during each subsequent calendar year; or
- Have worked at another rural electric cooperative within the past six months and met the other criteria above.

### ***Coverage for Your Dependents***

Your dependents are eligible to participate in the Plan if they are included in a group eligible for coverage above, and if they are:

- Your legal spouse.

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- Your unmarried children up to age 19 who are your biological or adopted children. If you have adopted children or children placed for adoption, you must provide an approved copy of the birth certificate or adoption decree and/or placement agreement with a special form. Ask your Benefits Administrator for the form.
  - Your unmarried children (as defined and with proof as required above) from age 19 up to age 25 who are full-time students at accredited educational institutions. (See “Student Status” in the “Key Terms” section in the back of this document.)
  - Your unmarried dependent children who are mentally or physically incapable of self-support and who rely on you for the majority of their support. They must be participants in the Plan on the day before their participation would end due to the age restrictions mentioned above. Application for continuing their coverage must be made within 31 days of the day participation in the Plan would have ended due to age restrictions. That application must be approved by NRECA, and NRECA will also ask you to provide ongoing proof of the child’s eligibility under this provision.
  - Your unmarried natural and adopted children, meeting the same age restrictions as defined in your Summary Plan Description, and who live with you or in another household in a child-parent relationship (dependent on you for support or maintenance), are eligible if NRECA has approved your request to cover them. If you have responsibility for stepchildren, or grandchildren, or have court appointed legal guardianship over children, and they live with you, you may be able to include them for dependent coverage. You must provide additional information on a special form when requesting coverage for these children. Ask your Benefits Administrator for the form.
  - If the non-student dependent child (age 19 through 25) lives outside the household and works full-time, he or she shall not be eligible for Dependent status.
  - No person shall be a Dependent while serving in the military.
  - Your children who are recognized under a qualified medical child support order (QMCSO) as having a right to enrollment under a group health plan may be covered under the Plan if the children are otherwise eligible.

If both you and your spouse work for an NRECA participating cooperative and are eligible for coverage separately, both of you will be covered as employees unless you also wish to cover dependents. If you wish to cover dependents, either you or your spouse will be covered as an employee and the other will be covered as a dependent. In no case can someone be covered under the Plan as both an employee and as a dependent.

Please see your Benefits Administrator with any questions or for more information.

### ***Making Changes During the Year***

You may make changes in your coverage during the year if your employer offers an annual open

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enrollment period. Please see your Benefits Administrator to determine if your employer offers an open enrollment period. There are also other cases where you may be able to make changes in your coverage during a calendar year. These include if you add a dependent due to marriage, birth or adoption or if you have a special enrollment situation described in the *Special Enrollment section* below. If you want to make a change in your coverage, please see your Benefits Administrator to determine when this can be done in your situation.

## **Special Enrollment**

There are several special cases in which you can enroll for coverage outside of normal Plan rules.

### **Losing Other Coverage**

If you decline coverage for yourself or your dependents because you have other coverage and you or your dependents later lose that other coverage, you and your dependents may qualify for special enrollment in the Plan.

A loss of other coverage qualifies for special enrollment treatment only if two conditions are met:

- You/your dependents were covered under another group health care plan or health insurance coverage at the time you were eligible for coverage from your employer
- You/your dependents lost the other coverage because you/they exhausted COBRA continuation coverage, were no longer eligible under that plan, or an employer's contributions for coverage stopped.

You can enroll by completing a new enrollment form within 31 days of the date coverage was lost. The benefit limitation period for late enrollees will still apply. See your Benefits Administrator for help.

### **New Dependents**

Full coverage for new dependents is available if you enroll them within 31 days of marriage, birth, adoption, or placement for adoption and they meet the requirements for eligibility. Coverage will become effective retroactively to the date of the marriage, birth, adoption or placement for adoption. If you or your spouse is not currently enrolled, you may enroll yourself and your spouse when you add a new dependent child.

If you don't enroll them within 31 days, coverage for the new dependents will be effective on the date you request the coverage.

Please see your Benefits Administrator for more information.

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## Qualified Medical Child Support Order

You must enroll any eligible dependent children for whom you are required to provide health coverage as the result of a Qualified Medical Child Support Order (QMCSO). In general, this is an order issued by a state court or state administrative agency requiring a parent to provide health care support for a child in case of separation or divorce. Federal law requires group health plans to honor QMCSOs.

If you previously declined coverage with your employer, you will need to elect coverage for yourself at the same time. You will be subject to the benefit limitation for a late enrollee as described earlier.

Parents and beneficiaries may obtain, without charge, a copy of the procedures governing QMCSOs by contacting the Plan Administrator.

## When Coverage Begins

Coverage under the Plan begins after you have satisfied your employer's waiting period, if any (see below), and you have completed and returned the NRECA enrollment form for yourself and any eligible dependents.

The waiting period is the length of time that an active employee must work before he or she is eligible to participate in the Plan.

This Plan has no waiting period.

If directors are eligible for this Plan and do not share in the cost of their coverage, they do not need to satisfy a waiting period, and coverage begins on the date that the director's term commences. If the directors do share in the cost of their coverage, they are required to complete an enrollment form, and coverage commences on the date that the enrollment form is signed.

Please see your Benefits Administrator with any questions or for more information.

## Paying for Coverage

You and your employer may share in the cost of your coverage and your eligible dependent's coverage, if applicable, as follows:

- **Active Employees:** The employer pays 100% of the cost of your coverage.
- **Dependents of Employees:** You and the employer share in the cost of the coverage.
- **Disabled Employees:** You and the employer share in the cost of the coverage.
- **Dependents of Disabled Employees:** You and the employer share in the cost of the coverage.

Specific information regarding the amount you must pay toward your coverage will be provided

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to you before you enroll in the Plan, whether such enrollment is your initial enrollment, annual enrollment, or special enrollment. The cost of this coverage is subject to your employer's policies and can change at any time. Please see your Benefits Administrator if you have any questions regarding your specific cost information.

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## **What You Pay for Dental Expenses**

In most cases, when you or a covered dependent obtain dental care, you and the Plan will share the cost of that care. The following are ways in which you share the cost of dental expenses.

### ***The Deductible***

The deductible is the amount of eligible “major” dental expenses that you or a covered dependent must pay each calendar year before the Plan will pay benefits for “major” dental services. See “Types of Services” later in this document for information on what services are considered “major” dental services. Deductibles do not apply to the other types of covered dental services.

### ***Cost Sharing (Coinsurance)***

For some dental treatments and services, you and the Plan will share the cost of dental expenses once any required deductible is satisfied. You will pay a percentage of the cost and the Plan will pay the remaining percentage of the cost. This may also be referred to as coinsurance.

Below is a summary of how you and the Plan share the costs of various types of services:

- The Plan will pay 100% of the cost of preventive and diagnostic services up to the reasonable and customary charge.
- The Plan will pay 80% of the reasonable and customary charge for basic dental services.
- The Plan will pay 50% of the reasonable and customary charge for major dental services after the \$50 Deductible has been satisfied each calendar year.
- The Plan will pay 50% of the costs of covered orthodontic treatment for an eligible person, up to the lifetime orthodontic benefit maximum of \$2,000

### ***Annual and Lifetime Benefit Maximums***

There are important maximum(s) to keep in mind under the NRECA Dental Plan - Enhanced Plan:

- The Plan will pay a maximum of \$2,000 per person per calendar year in dental benefits for combined dental services other than orthodontia.
- The Plan will pay a maximum of \$2,000 in benefits for orthodontia in an eligible person’s lifetime.

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## **Dental Treatment Plans**

If you and/or your dentist expect a particular course of treatment to cost \$300 or more, the dentist should first submit a “Dental Treatment Plan” for approval by CBA to obtain an estimate of benefits that the Plan would provide. The purpose of the Dental Treatment Plan is to avoid any misunderstanding about what the Plan will cover.

The Dental Treatment Plan should be submitted to CBA and should:

- Itemize the dentist’s recommended services;
- Show the dentist’s charge for each service; and
- Be accompanied by x-rays or any other documentation that is requested or required by CBA.

In reviewing the Dental Treatment Plan, CBA will take into consideration alternate dental services that may also be suitable for the treatment of a specific condition in accordance with customary dental practices.

After reviewing the Dental Treatment Plan, CBA will return the plan to the dentist outlining the estimated benefits available from the Plan. This will help you and the dentist understand in advance what the Plan will pay in benefits and the charges for which you will be responsible.

**Note:** For orthodontic treatment, eligible individuals should submit what is known as an “Orthodontic Treatment Plan.” See the section entitled “Orthodontia” for more information.

## **What the Plan Covers**

The NRECA Dental Plan - Enhanced Plan covers “Eligible Charges” (described below) for a wide variety of dental treatments and services. These include preventive and diagnostic services to encourage you and your covered dependents to maintain healthy teeth and basic and major restorative services to repair teeth. Orthodontic services to help straighten teeth are also included. The next section entitled “Types of Services” provides a detailed listing of the various services covered under the Plan.

Under the Plan, you may choose any licensed dentist.

The Plan covers what are referred to as “Eligible Charges” These are charges a dentist makes for a covered service that is provided to you or a covered dependent. In order to be eligible a service must be:

- On the list of dental services provided under the Plan;
  - Part of a treatment plan (see preceding section entitled “Dental Treatment Plans”); and
  - Not excluded by the section “What Is Not Covered”
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- Orthodontic services to help straighten teeth are also included.

The table below shows when a charge will be considered to be incurred:

When the charge is for:	The charge is considered to be incurred:
An appliance or modification of an appliance	On the date the impression is taken
A crown, bridge or gold restoration	On the date the tooth is prepared
A root canal therapy	On the date the pulp chamber is opened
Orthodontia	On the date orthodontic appliances are first installed
All other services	On the date the service is received

Many dental conditions can be treated in more than one way. Your coverage is designed to pay dental expenses that will produce a professionally satisfactory result—not for treatment that is more expensive than necessary for good dental care.

## Types of Services

There are four types of dental services covered under the Plan.

### ***Preventive and Diagnostic Services***

Preventive and Diagnostic Services are covered at 100% of the reasonable and customary charge with no deductible. These include visits to a dentist, dental examinations, x-rays, pathology and sealants.

### **Visits and Examinations**

Visits and exams covered under preventive and diagnostic services include:

- Visits during office hours for oral examination (but not more than two visits per person per calendar year)
- Professional visits after office hours (payment will be made on the basis of services rendered or the visit, whichever is greater)
- Consultation by a specialist for case presentation when diagnostic procedures have been performed by a general dentist
- Emergency palliative treatment
- Teeth cleaning (prophylaxis)
  - for children under age 14 (limited to two cleanings per calendar year)
  - for individuals age 14 and older, including scaling and polishing (limited to two cleanings)

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- per calendar year)
- Topical application of fluorides including prophylaxis (limited to children under age 18 and limited to one course of treatment per year).

## **X-Rays and Pathology**

X-rays and pathology services covered under Preventive and Diagnostic Services include:

- Bitewing x-rays (not more than twice every year—two films, four films)
- An entire denture series—14 or more films including bitewings, if necessary (limited to once every three years) or Panorex—one single film of the full mouth (limited to once every three years)
- Single films; additional films (up to 12 each)
- Intraoral, occlusal view, maxillary or mandibular, each
- Upper or lower jaw, extraoral—one film, two films
- Biopsy and examination of oral tissue
- Microscopic examination
- Diagnostic casts—study models.

## **Sealants**

Sealants are covered under preventive and diagnostic services but limited to:

- Children under age 19
- Permanent molar teeth, and
- Two applications per tooth separated by a period of not less than 48 months.

## **Basic Services**

Basic dental services are covered at 80% of the reasonable and customary charge with no deductible. Basic services include fillings, restorative repairs, space maintainers, oral surgery, general anesthesia, periodontics, and endodontics.

## **Restorations (fillings)**

Below is a list of the restoration services covered under basic services. Please note that multiple restorations in one surface will be considered a single restoration.

- Amalgam (primary, permanent teeth)—cavities involving one surface, two surfaces, or three or more surfaces
- Silicate cement
- Plastic
- Composite—cavities involving one surface, two surfaces, or three or more surfaces
- Pins (retention) when part of the restoration used is another metal instead of gold for crown restoration

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## **Restorative Repairs**

Restorative repairs services covered as basic dental services include:

- Repair of dentures
  - Full and partial denture repairs
  - Broken dentures (with no teeth involved)
  - Partial denture repairs (metal)
  - Replacing missing or broken teeth (each tooth)
- Adding teeth or a partial denture to replace extracted natural teeth
  - First tooth
  - First tooth with clasp
  - Each additional tooth and clasp
- Re-cementing of inlays, crowns, bridges
- Repairs of crowns and bridges.

## **Space Maintainers**

The following types of space maintainers eligible for coverage as basic dental services include:

- Fixed space maintainers (band type)
- Removable acrylic with round wire rest only
- Removable inhibiting appliances to correct thumb sucking.

Benefits for space maintainers include all adjustments that may be necessary within the first six months after installation.

## **Oral Surgery**

Benefits for oral surgery include coverage for local anesthesia and routine postoperative care. Oral surgeries covered as basic dental services include:

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- Extractions
    - Uncomplicated extractions
    - Surgical extractions of erupted teeth
    - Surgical extractions of impacted teeth—soft tissue, partially bony, completely bony
    - Postoperative visits (for sutures and complications) that are necessary after multiple extractions and impaction
  - Alveolar or gingival reconstructions
    - Alveolectomy (edentulous) per quadrant
    - Alveolectomy (in addition to the removal of teeth) per quadrant
    - Alveoplasty with ridge extension, per arch
    - Removal of exostosis
    - Excision of hyperplastic tissue, per arch
    - Excision of pericoronal gingival
  - Cysts and neoplasms
    - Incision and drainage of abscess
    - Removal of cysts or tumors
  - Other surgical procedures
    - Removal of salivary calculus
    - Closure of salivary fistula
    - Dilatation of salivary duct
    - Transplantation of tooth or tooth bud
    - Removal of foreign body from bone (independent procedure)
    - Maxillary sinusotomy for removal of tooth fragment or foreign body
    - Closure of oral fistula or maxillary sinus
    - Sequestrectomy for osteomyelitis or bone abscess, superficial
    - Crown exposure to aid eruption
    - Removal of foreign body from soft tissue
    - Frenectomy
    - Condylectomy of temporomandibular joint
    - Meniscectomy of temporomandibular joint
    - Radial resection of mandible with bone graft
    - Treatment of trigeminal neuralgia by injection into second and third divisions
    - Injection of sclerosing agent into temporomandibular joint
    - Suture of soft tissue injury

## **General Anesthesia**

General anesthesia is covered as a basic dental service under the Plan, only when provided in conjunction with a surgical procedure that is covered under the Plan.

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## **Periodontics**

Periodontics is branch of dentistry that deals with diseases of the supporting and investing structures of the teeth including the gums, cementum, periodontal membranes, and alveolar bone. Basic dental services covered for periodontics include:

- Emergency treatment (periodontal abscess, acute periodontitis, etc.)
- Subgingival curettage or root planing and scaling, per quadrant (limited to four quadrants of each) per year
- Correction of occlusion related to periodontal surgery, per quadrant
- Gingivectomy (including post-surgical visits) per quadrant
- Gingivectomy, osseous or muco-gingival surgery (including post-surgical visits) per quadrant
- Gingivectomy, treatment per tooth (fewer than six teeth).

## **Endodontics**

Endodontics is a branch of dentistry that is concerned with diseases of the pulp. Basic dental services covered for endodontics are listed below. (Limits shown below are for one tooth, unless indicated)

- Pulp capping
- Therapeutic pulpotomy—in addition to restoration
- Vital pulpotomy
- Remineralization (Calcium Hydroxide, temporary restoration) as a separate procedure only
- Root canals (devitalized teeth only), including necessary x-rays and cultures, but excluding final restoration:
- Single rooted canal therapy (traditional or Sargenti method)
- Bi-rooted canal therapy (traditional or Sargenti method)
- Tri rooted canal therapy (traditional or Sargenti method)
- Apicoectomy, including filling of the root canal
- Apicoectomy (separate procedure)

## **Major Services**

Major dental services are covered at 50% of the reasonable and customary charge after a \$50 deductible has been satisfied each calendar year. Major services include inlays, crowns, pontics (artificial teeth), removable bridges, dentures and partial dentures.

Please note that gold restorations and crowns are covered only as treatment for decay or traumatic injury. Also, they are covered only when teeth cannot be restored using filling material or when the tooth is an abutment to a covered partial denture or fixed bridge.

Benefits on molar teeth are limited to the allowance for non-tooth colored restorations.

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## **Inlays**

The inlays covered as major dental services include:

- One, two, three or more surfaces
- Onlay, in addition to the inlay allowance.

## **Crowns**

The types of crowns covered as major dental services include:

- Acrylic, acrylic with gold, or acrylic with non-precious metal
- Porcelain, porcelain with gold, or porcelain with non-precious metal
- Non-precious metal (full cast)
- Gold (full cast,  $\frac{3}{4}$  cast or dowel pin)
- Stainless steel.

## **Pontics (artificial teeth)**

Pontics (artificial teeth) covered as major dental services include:

- Cast gold (sanitary)
- Cast non-precious metal
- Slotted facing (Steele's)
- Slotted pontic (Tru-pontic type)
- Porcelain fused to gold or non-precious metal
- Plastic fused to gold or non-precious metal.

## **Removable Bridges**

Benefits for removable bridges include coverage for all types of one-piece casting, gold or chrome cobalt alloy clasp attachments per unit (including pontics).

## **Dentures and Partial**

Benefits for dentures, partial dentures, and relining include the following:

- Complete upper or lower dentures
- Partial acrylic upper or lower dentures with chrome alloy cobalt clasps, base, all teeth and two clasps as well as each additional clasp
- Partial lower or upper with chrome cobalt alloy lingual or palatal bar and acrylic saddles, base, all teeth and two clasps as well as each additional clasp
- Simple stress breakers, extra
- Stayplate, base (each additional clasp)
- Office reline, cold cure, acrylic
- Laboratory reline

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- Special tissue conditioning, per denture
  - Denture duplication (jump case), per denture

These benefits also include adjustments needed after installation.

## **Orthodontia**

Orthodontia benefits are available for all those covered under the plan.

The plan will pay 50% of covered charges for orthodontia services, up to a lifetime orthodontic benefit maximum of \$2,000.

### **Eligible Orthodontic Charges**

Orthodontic charges are considered “Eligible Charges” for benefits under the plan only when:

- Treatment is required for an overbite of at least four millimeters, a cross bite, or a protrusive or retrusive relationship of at least one cusp.

### **Orthodontic Treatment Plan**

Your dentist should submit an “Orthodontic Treatment Plan” to CBA before treatment is started it should contain the following:

- Describe the recommended treatment
- Outline the estimated charges for the treatment
- Be accompanied by cephalometric x-rays, study models and other supporting evidence that treatment is needed.

### **Payment Schedule for Orthodontic Benefits**

Charges for orthodontic services will be considered to be incurred on the date the appliances are first installed. The initial banding fee will be paid on the date that CBA is notified that bands have been placed. The remaining program balance will be paid in equal quarterly installments over the duration of the treatment program, not to exceed 24 months.

### **Orthodontia – Major Services**

Orthodontic treatment is covered for a dependent child as long as they meet the eligibility requirements of this plan. This includes extended full-time student status regardless of age.

## **What Is Not Covered – Excluded Charges**

In addition to certain excluded charges already mentioned in this document, the following charges are not covered under the NRECA Dental Plan - Enhanced Plan.

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## ***Occupational Injury or Disease Charges***

In most cases, the Plan will not cover charges incurred in connection with the following:

- Injury that arises out of, or in the course of, any employment for wage or profit
- Sickness or injury that is covered by any workers' compensation law, occupational disease law or similar legislation.

## ***Government Plan Charges***

In most cases, the Plan will not cover charges for a service or supply that is furnished under any government program. You should contact CBA for more information.

## ***Charges for Unnecessary Services and Supplies***

The Plan will not cover charges for services and supplies that are not reasonably necessary or not customarily performed or provided for as part of the dental care of a participant.

## ***Charges in Excess of Reasonable and Customary Charges***

The Plan will not cover the portion of any charge for any service or supply, rendered by a provider that is in excess of the reasonable and customary charge as determined by the Plan Administrator. (See "Key Terms" in the back of this document for a definition of reasonable and customary charges.)

## ***Services Not Included***

The Plan will not cover any dental service or supply that is not included on the list of dental services.

## ***Services Not Furnished by a Dentist***

The Plan will not cover charges for any dental treatment or service not furnished by a dentist. The only exceptions are for x-rays ordered by a dentist or for services by a licensed dental hygienist under a dentist's supervision.

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## ***Prior Services and Supplies***

The Plan will not cover charges for the following services and supplies that were provided before the patient was covered:

- Charges for any appliance, or modification of one, for which the impression was made before coverage began;
- Charges for crowns, bridges, or gold restorations for which the tooth was prepared before coverage began; and
- Charges for root canal therapy if the pulp chamber was opened before coverage began.

## ***Crowns***

The Plan will not cover charges for a crown, gold restoration, denture or fixed bridge (or addition of teeth to one) if the work involves a replacement or modification of a crown, gold restoration, denture or fixed bridge that was installed less than five years before.

## ***Dentures***

The Plan will not cover charges incurred for a denture or fixed bridge that involves replacing teeth that were missing before the patient was covered. The only exception is the replacement of a tooth that was extracted while the patient was covered if that tooth was not an abutment for a denture or fixed bridge installed within the preceding five years.

## ***Orthodontia***

The Plan will not cover any charge incurred for an orthodontic procedure related to an active appliance that was installed before the patient became covered.

## ***Implants and Replacements***

The Plan will not cover charges incurred for implants or for the replacement of lost or stolen appliances.

## ***Splinting***

The Plan will not cover any charge incurred for appliances or restoration for the purpose of splinting, or to increase vertical dimension or restore occlusion, due to erosion or attrition.

## ***Cosmetic Dentistry***

The Plan will not cover any charge incurred for cosmetic purposes unless the service is made necessary due to an Accident that occurred while the patient was covered under the Plan. Facings on molar crowns and pontics and fillings are considered cosmetic under the Plan.

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## ***TMJ Expenses***

The Plan will not cover any charges incurred for treatment of the temporomandibular joint. This includes diagnostic and splint therapy or any other treatment not involving the teeth.

## ***Services Rendered by a Close Relative***

The Plan will not cover charges incurred for services described in this document that are rendered by you or your spouse, your child, brother or sister, or the parent of you or your spouse.

## ***Late Claims***

The Plan will not cover dental charges if the claim and all supporting materials for those charges are received more than 24 months after the services or supplies are provided.

## ***Charges from Felonies***

The Plan will not cover charges for the treatment of dental expenses incurred in the commission of a felony.

## ***Charges from War***

The Plan will not cover charges for dental expenses incurred as a result of declared or undeclared war or an act of war.

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## Coordinating With Other Coverages

This Plan contains a coordination of benefits provision that applies whenever an allowable expense under this Plan is also covered under one or more other plans. Under the general coordination of benefits rule, the total benefits available will not exceed 100% of the allowable expenses. "Other plans" include:

- Other group plans, whether insured by insurance or self insured;
- Governmental plans (except Medicaid); and
- Medical insurance as provided by a motor vehicle insurance contract.

### ***Primary and Secondary Plans***

When a claim is made, the primary plan pays its benefits without regard to any other plans. The secondary plans adjust their benefits so that the total benefits available will not exceed the allowable expenses. No plan pays more than it would without the coordination provision.

A plan without a coordination of benefits provision similar to this Plan's provision is always the primary plan. If all plans have such a provision, the following rules apply, in the order in which they are presented to determine which plan is primary:

- **Employee/dependent:** The plan covering an individual other than as a dependent is primary to the plan covering an individual as a dependent.
- **Dependent child/parents not separated or divorced:** The plan of the parent whose birthday falls earlier in the year will be primary. (If both parents have the same birthday, the plan that has covered one of the parents the longest is primary.)
- **Dependent child/parents separated or divorced:** The plans of the parents pay in this order:
  - If a court decree has established financial responsibility for the child's health care expenses, the plan of the parent with this responsibility
  - The plan of the parent with custody of the child
  - The plan of the stepparent married to the parent with custody of the child
  - The plan of the parent not having custody of the child.
- **Active/inactive:** The plan covering an individual employee through active employment is primary to the plan covering the individual through retirement or layoff status.
- **Longer/shorter length of coverage:** If none of the above applies, the plan covering the individual for the longest period is primary.

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When this Plan is providing secondary coverage, this Plan's benefit is adjusted, taking into account the primary plan's payment, so that the total benefits available under both plans will not exceed the allowable expenses. This Plan never pays more than it would have paid without the coordination provision.

To receive payment on a claim when this Plan is secondary, you must submit an Explanation of Benefits from the primary plan and attach it to the itemized bill.

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## Claim and Appeal Procedures

Here are the Plan's procedures for claims and appeals.

### **Claim Forms**

If your dental care provider does not submit the claim on your behalf, please submit your claim to Cooperative Benefit Administrators (CBA), the Claims Administrator for the Plan. Claim forms are available on the NRECA Employee Benefits Web site. Log on to [www.cooperative.com](http://www.cooperative.com) and click the "Take Me To My NRECA Employee Benefits" button. Next, log on to NRECA Employee Benefits and click on "Library/Documents for Employees Insurance Plans". Under the Medical Plans List, you will find the "Dental Benefit Request Form." Ask your Benefits Administrator if you need help obtaining a claim form. Send completed claim forms and supporting documents to:

Claims Administrator  
Cooperative Benefit Administrators, Inc.  
P.O. Box 6249  
Lincoln, NE 68506

All dental claims relating to payment for a benefit covered by the Plan must be filed no later than 24 months from the date the service was rendered. A claim form will not be considered filed until all required information related to the service or benefit for the claim has been provided to CBA. Claims filed after 24 months will not be paid.

### **Claims and Appeals**

You may file claims for Plan benefits and appeal adverse claim decisions, either yourself or through an authorized representative. An authorized representative is a person you authorize in writing to act on your behalf. An authorized representative may not be a doctor or other health care provider.

- **Self** - You may file claims and other documents related to your claim. It is not necessary for you to complete the form "Authorization to Use and Disclose Protected Health Information."
- **Authorized Representative** - If you use an authorized representative, please follow these procedures.

To designate an authorized representative, complete the form "Authorization to Use and Disclose Protected Health Information." Ask your Benefits Administrator for the form. Before you submit the form to NRECA, you may contact the Plan's Privacy Officer to ask questions about the use and disclosure of your health information. You may contact the Privacy Officer by telephone at 703-907-6601, by fax at 703-907-6602 or by e-mail at [privacyofficer@nreca.coop](mailto:privacyofficer@nreca.coop).

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Once completed, send the form to the Plan's Privacy Officer at the following address to be reviewed and accepted:

Privacy Officer  
National Rural Electric Cooperative Association  
4301 Wilson Boulevard  
Arlington, VA 22203-1860

The Plan will provide you with a copy of the signed Authorization form for your records or files.

There are specific claim and appeal response periods for your dental **post-service claims**. A **post-service claim** is any claim for payment of services or supplies already rendered, e.g., dental treatment already performed.

The tables on the following pages explain the process for filing post-service claims and appeals. If you need more information, please contact CBA at 402-483-9200.

## Process for Filing Post-Service Claims and Appeals

Post-Service Claims	
<b>Type of claim definition:</b>	Your claim for payment of services already rendered. For example, claims for dental treatment already performed.
<b>File claim before or after treatment:</b>	After, but not later than <b>24 months</b> from the date the service was rendered.
<b>Submit your claim to:</b>	Claims Administrator Cooperative Benefit Administrators, Inc. P.O. Box 6249 Lincoln, NE 68506
<b>Date your claim is considered to be "filed":</b>	The date CBA receives your completed claim in writing.
<b>Time period that CBA has to notify you that your claim is approved or denied:</b>	<p>Not later than <b>30 days</b> from the date CBA receives your claim. CBA may require <b>one 15-day extension</b> if circumstances warrant and will notify you that it needs more time to evaluate your claim. CBA will notify you of the extension before the initial 30-day period is up.</p> <p>If CBA needs the 15-day extension because you did not provide all the information needed to process your claim, CBA will tell you what information is missing.</p>
<b>If your claim is incomplete, the time period that you have to submit the additional requested information to CBA:</b>	<p>Not later than <b>45 days</b> from the date CBA sent you the notice to tell you that your claim is missing information. This gives CBA additional time to respond to your claim.</p> <p>If you do not send CBA the missing information within this 45-day period, CBA will deny your claim.</p>
<b>Time period for deciding a claim is suspended while CBA waits for you to submit additional information about your claim:</b>	The time period for deciding your claim is suspended from the date CBA notifies you that your claim is incomplete until the date you provide CBA with the requested information. CBA may then use the remainder of the review period to complete its evaluation of your claim.

## Post-Service Claims

<p><b>CBA will give you a notice if your claim is denied that contains:</b></p>	<ul style="list-style-type: none"> <li>▪ Specific reasons why your claim is denied</li> <li>▪ Reference to the specific Plan provisions on which the denied claim is based</li> <li>▪ Description of any additional information needed and why this information is needed</li> <li>▪ Explanation of the Plan's claims review and appeal procedures.</li> </ul>
<p><b>Time period that you, or your authorized representative, have to request a claim appeal:</b></p>	<p>Not later than <b>180 days</b> from the date you receive the notice that your claim is denied.</p>
<p><b>"Authorized representative" definition:</b></p>	<p>A person you authorize in writing to act on your behalf. An authorized representative may not be a doctor or other health care provider.</p>
<p><b>How to designate an authorized representative:</b></p>	<p>Fill out the form "Authorization to Use and Disclose Protected Health Information." Send the form to:</p> <p>Privacy Officer National Rural Electric Cooperative Association 4301 Wilson Boulevard Arlington, VA 22203-1860</p> <p>The Plan will provide you with a copy of the form for your records after it is reviewed and accepted by the Privacy Officer.</p>
<p><b>Information you may request from the Plan, free of charge:</b></p>	<p>Copies of all documents, records and other information related to your denied claim.</p>
<p><b>Materials that you may submit with your appeal:</b></p>	<p>Written comments, records, documents and other information to support your appeal, whether or not you already submitted these items.</p>
<p><b>Submit your written appeal to:</b></p>	<p>Appeals Administrator Cooperative Benefit Administrators, Inc. P.O. Box 6249 Lincoln, NE 68506</p>

## Post-Service Claims

<p><b>Identity of the Appeals Administrator:</b></p>	<p>The Appeals Administrator is a different person than the person who made the original decision to deny your claim and is not someone directly supervised by the original decision-maker.</p>
<p><b>Time period that the Appeals Administrator has to review your appeal and make a decision:</b></p>	<p>Not later than <b>60 days</b> from the date the Appeals Administrator receives your appeal. The Appeals Administrator will conduct a full and fair review of all documents and evidence submitted to support your claim for benefits and may consult with dental or vocational experts in order to make a decision about your appeal. These experts are different persons than the ones consulted previously.</p>
<p><b>If your appeal is denied, you will receive a notice that contains:</b></p>	<ul style="list-style-type: none"> <li>▪ Specific reasons why your appeal is denied</li> <li>▪ Reference to the specific Plan provisions on which the denied appeal is based</li> <li>▪ An explanation of your rights under ERISA's claim and appeal rules.</li> </ul> <p>You have now completed the Plan's appeal process. However, you may <b>voluntarily</b> take part in one more level of review of your denied appeal called the Voluntary Final Appeal Process. If you do not choose to use the Voluntary Final Appeal Process, you may seek legal action.</p>
<p><b>Voluntary Final Appeal Process:</b></p>	<p>You may use this option if you wish to have the Plan's Appeals Committee review your denied claim appeal. Using this Voluntary Final Appeal Process has no effect on your rights to any other benefits under the Plan or your rights to seek legal review. Before you submit your written request, you may request additional information about the Voluntary Final Appeal Process from the Appeals Committee by phoning 402-483-9200.</p>
<p><b>Time period that you have to submit your request for review:</b></p>	<p>Not later than <b>60 days</b> from the date you receive the notice that your claim appeal is denied by the Appeals Administrator.</p>
<p><b>Information you may request from the Plan, free of charge:</b></p>	<p>Copies of all documents, records and other information related to your denied claim and denied appeal.</p>

## Post-Service Claims

<p><b>Materials that you may submit with your final appeal:</b></p>	<p>Written comments, records, documents and other information to support your appeal, whether or not you have already submitted these items.</p>
<p><b>Submit your written final appeal to:</b></p>	<p>Appeals Committee Cooperative Benefit Administrators, Inc. CBA 9284 P.O. Box 6249 Lincoln, NE 68506</p>
<p><b>Identity of the Appeals Committee:</b></p>	<p>The Appeals Committee is selected by the Vice President, Insurance &amp; Financial Services Administrator, and has no financial or personal interest in the final appeal's result.</p>
<p><b>Time period that the Appeals Committee has to review your final appeal and make a decision:</b></p>	<p>Not later than <b>60 days</b> from the date the Appeals Committee receives your final appeal. The Appeals Committee will conduct a full and fair review of all documents and evidence submitted to support your claim for benefits and may consult with medical or vocational experts in order to make a decision about your appeal. These medical or vocational experts are different persons than the ones consulted previously.</p> <p>The Appeals Committee may require <b>one 60-day extension</b> if circumstances warrant and will notify you that it needs more time to evaluate your appeal. The Appeals Committee will notify you of the extension before the initial 60-day period is up.</p>
<p><b>If your final appeal is denied, you will receive a notice that contains:</b></p>	<ul style="list-style-type: none"> <li>▪ Specific reasons why your final appeal is denied</li> <li>▪ Reference to the specific Plan provisions on which the denied final appeal is based</li> <li>▪ An explanation of your rights under ERISA's claim and appeal rules.</li> <li>▪ An explanation of your right to file a civil action under ERISA within 12 months.</li> </ul>

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## COBRA Coverage

Under the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), when you experience a qualifying event (described below) that causes you to lose eligibility for dental coverage under the Plan, you have the option of continuing that coverage at your own expense (known as COBRA coverage). COBRA coverage is also available to your qualified beneficiaries (described below) who lose coverage due to a qualifying event (described below). Please note, however, that COBRA coverage is available only for the type of NRECA Dental Plan - Enhanced Plan coverage you had at the time of the qualifying event.

- **Qualified Beneficiaries**—Qualified Beneficiaries are individuals who are Plan participants on the day before a qualifying event occurs. Generally, this applies to you, your spouse and your dependent children. It also includes a child born to, or placed for adoption with, you during the period of COBRA coverage. Individuals who have terminated coverage under this Plan because they have other coverage are not considered qualified beneficiaries for COBRA.
- **Qualifying Event**—A qualifying event is a specific event that causes you or your covered dependents to lose dental coverage under this Plan. There are several types of qualifying events for employees, their spouses and dependent children, such as:
  - Termination (voluntary or involuntary) of employment for any reason other than gross misconduct;
  - Reduction in work hours that results in loss of dental coverage; or
  - Your employer files for bankruptcy.

In addition to the above, qualifying events for your spouse include any of the following:

- Your divorce;
- Your death;
- Your spouse's hours of employment are reduced, resulting in a loss of coverage;
- Your entitlement to benefits from Medicare; or
- Your spouse's employment ends for any reason other than his or her gross misconduct.

In addition to the qualifying events that affect you (listed above), qualifying events for your dependent children include any of the following:

- The loss of a child's dependent status as defined under the terms of this Plan;
- The employee-parent dies;
- The employee-parent becomes entitled to benefits from Medicare;
- The employee-parent hours of employment are reduced;
- The employee-parent employment ends for any other reason other than gross misconduct;
- The parents become divorced; or
- The child becomes ineligible for coverage under the Plan as a dependent child.

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Please note the following:

- Coverage for a student under this Plan will cease immediately when the student graduates from college, is no longer a full-time student, or otherwise fails to be eligible for dental coverage, whichever occurs first, or unless otherwise specified under this Plan.
- Your right to post-retirement benefits is subject to the policies of your employer and can change at any time.

**Failure to elect COBRA coverage may affect your or your dependents' future portability of coverage, guaranteed access to other coverage, or other Plan rights and privileges.**

When your dental coverage or COBRA coverage ends, you will receive a certificate of creditable coverage. (Certification will also be provided for a dependent's loss of coverage once the Plan is aware that the dependent's coverage has ended. Please keep your employer informed if your dependents become ineligible for coverage.)

### ***Procedures for Notifying Your Employer of Qualifying Events***

**Failure to follow the following procedures for notifying your employer may result in the loss of eligibility for COBRA coverage.**

#### ***Which Qualifying Events Require Employer Notification?***

You or your spouse must notify your employer of the following qualifying events:

- Your divorce.
- Loss of dependent eligibility for your dependent child.
- Your death.
- Determination by the Social Security Administration ("SSA") that you, your spouse or your dependent child is disabled.
- Determination by the SSA that you, your spouse or your dependent child is no longer disabled.
- Your entitlement to benefits from Medicare.
- Second qualifying event (that is, a qualifying event that you, your spouse or your dependent child experiences during the 18-month COBRA coverage period that follows an employment-related qualifying event).

#### ***Who Must Receive the Notification at your Employer?***

You must notify the person who is named in the *General Notice of COBRA Continuation Rights* as the Plan Information Contact.

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### ***When Your Employer Must be Notified***

You or your spouse must provide notice to your employer within 60 days after the date of the qualifying event or the second qualifying event.

In the event of a SSA disability determination and you (your spouse and/or your dependent children) want to elect to extend the initial 18-month continuation period for an additional 11 months, your employer must be notified within 60 days after the later of the SSA disability determination (but before the end of the initial 18-month period) or the date of the qualifying event.

In the event that the SSA has determined that you, your spouse or your dependent child is no longer disabled, your employer must be notified within 30 days after the SSA determination.

### ***How Your Employer Must be Notified***

The required information for notification of your employer must be provided on the form and in the format specifically required by your employer for this purpose. This form, required by your employer, will be available at no cost upon request from the Plan Information Contact named in the *General Notice of COBRA Continuation Rights*.

### ***What Information and/or Documentation the Notification Must Include***

- Name of the qualified beneficiary(ies)
- Address of the qualified beneficiary(ies)
- Telephone number(s) of the qualified beneficiary(ies)
- Qualifying event
- Date of the qualifying event

Your employer will require additional information or documentation as proof of the qualifying event. Examples of such additional information or documentation include:

- If the qualifying event is divorce, copies of the first and last page of the divorce decree.
- If the qualifying event is loss of dependent eligibility, a statement as to the reason (for example, age or loss of student status).
- If notifying the employer of a SSA disability determination, a copy of the SSA determination letter.
- If the qualifying event is the death of the employee, a copy of the death certificate.

Your employer reserves the right to request additional information or documentation if the information or documentation you provided is not sufficient for your employer to make its determination.

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### ***Who May Provide the Notification***

- You as a covered employee may provide notice on behalf of yourself, your spouse and/or your dependent children.
- Your spouse may provide notice on behalf of him/herself and/or your dependent children.
- Your dependent child may provide notice on his/her own behalf.
- Any representative acting on behalf of you, your spouse, and/or your dependent children may provide notice.

Notice provided to your employer by one qualified beneficiary is considered notice on behalf of all related qualified beneficiaries.

### ***How You Will Be Notified by Your Employer If COBRA Coverage Is Available***

If COBRA coverage is available as a result of an initial qualifying event, your employer will provide you (your spouse and/or your dependent children) with an election notice and an election form. The election notice contains information regarding COBRA rights to continued coverage. The election form is an administrative form to continue NRECA-sponsored health coverage.

If the COBRA coverage period will be extended due to a second qualifying event (including a SSA disability determination), you will be notified by your employer of the extended coverage period.

If COBRA does not apply, your employer will send you (your spouse and/or your dependent children) a Notice of Unavailability of Coverage, explaining the reasons why COBRA coverage is not available.

### ***Electing COBRA Coverage***

Once the benefits administrator receives notice that a qualifying event has occurred, you will receive a notice describing your right to elect COBRA coverage. Each qualified beneficiary will have an independent right to elect COBRA coverage. You may elect COBRA coverage on behalf of your spouse, and you or your spouse may elect COBRA coverage on behalf of your children.

**If you (your spouse and/or your dependent children) wish to continue dental coverage, you (or they) must respond to the notice within 60 days of the date you (or they) receive the notice or the date of the qualifying event, whichever is later. Failure to respond to the notice within this 60-day period will result in the loss of the right to elect to continue dental coverage.**

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**You must give this notice to:**

Benefits Administrator  
BIG RIVERS ELECTRIC CORPORATION  
BOX 24  
HENDERSON KY 42420

***Length of COBRA Coverage***

If you and/or your eligible dependents elect COBRA coverage, the coverage begins on the date of the qualifying event. If you and/or your eligible dependents decide not to elect COBRA coverage, you and/or your eligible dependents may still decide to elect COBRA coverage within the 60-day COBRA election period. In this case, the COBRA coverage begins on the date you and/or your eligible dependents make the election, not on the date of the qualifying event.

COBRA coverage is temporary. Depending upon the qualifying event, the duration of COBRA coverage is as follows:

***18-Month COBRA Coverage Period***

If the qualifying event is your termination of employment (except for gross misconduct) or reduction in hours, you, your spouse and/or your dependent children are entitled to elect COBRA coverage for a maximum period of 18 months after the qualifying event.

***36-Month COBRA Coverage Period***

If the qualifying event is divorce, your death (see *Special Rules for Death as a Qualifying Event, below*), your entitlement to benefits from Medicare or the loss of dependent eligibility, your spouse and/or your dependent children are entitled to elect COBRA coverage for a maximum period of 36 months after the qualifying event.

***Disability Extension for 18-Month COBRA Coverage Period***

If you, your spouse or your dependent child (i) has elected COBRA coverage, (ii) is determined by the Social Security Administration to be disabled and (iii) notifies the benefits administrator in a timely fashion, then you, your spouse and your dependent children may be entitled to receive up to an additional 11 months of COBRA coverage, for a total of 29 months. The disability must have started at some time before the 60th day of COBRA continuation coverage and must last at least until the end of the initial 18-month period of COBRA coverage.

***Second Qualifying Event Extension for 18-Month COBRA Coverage Period***

If you or your eligible dependents experience another qualifying event during the 18-month COBRA coverage period that would otherwise entitle your spouse and/or dependent children to 36 months of COBRA coverage, the 18-month period will be extended to a maximum of 36 months for your spouse and/or dependent children, if notice of the second qualifying event is

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properly given to the Plan. The second qualifying event may be your death (see *Special Rules for Death as a Qualifying Event, below*), your divorce, your entitlement to benefits from Medicare or your dependent child's loss of dependent status under the plan, but only if the event would have caused the spouse or dependent child to lose coverage under the Plan had the first qualifying event not occurred. To qualify for this extension you, your spouse or your eligible dependents must notify your employer within 60 days of the second qualifying event.

### ***Special Rules for Death as the Qualifying Event***

If the qualifying event is your death, COBRA coverage will continue for the surviving spouse until the later of the date of his or her death, remarriage or the end of the COBRA coverage period. A dependent child may continue COBRA coverage until the later of the date the dependent child loses dependent eligibility or the end of the COBRA coverage period.

### ***Cost of COBRA Coverage***

If you elect COBRA coverage under the Plan, you must pay the full cost of that coverage (including both the share you now pay, if any, and the share your employer now pays). You may also be required to pay a 2% administrative fee, for a total of 102% of the cost. If you are disabled, this administrative fee may be higher than the 2% but no more than 50% of the cost of coverage. After you elect COBRA coverage, you will receive a bill for the initial premium. This initial premium must be paid in full within 45 days of the date you elect COBRA coverage. You will receive a bill for subsequent premiums before the first day of each month. Each subsequent premium must be paid in full within 31 days of the first day of each month (for example, the premium for May must be paid in full on or before May 31). Failure to pay the initial or subsequent premiums on time will result in the termination of your COBRA coverage.

### ***When COBRA Coverage Ends***

Qualified beneficiaries will lose COBRA coverage if any of the following occurs:

- Your premiums are not paid in full within the required payment periods. You have 45 days from the date you elect COBRA coverage to pay your initial premium, and 31 days from the first of each month to pay each subsequent premium.
- Your former employer terminates group dental coverage for all employees.
- A qualified beneficiary becomes covered under another group dental plan after electing COBRA coverage, and the other group dental plan does not have a pre-existing condition exclusion or limitation that would affect the qualified beneficiary.
- A qualified beneficiary becomes covered under Medicare after electing COBRA.
- A qualified beneficiary reaches the end of the 18-month, 29-month, or 36-month COBRA coverage period (in general), whichever applies.

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Please remember that in order to protect your family's rights, you should keep the Benefits Administrator informed of any changes in the addresses of your family members. You should also keep for your records copies of any notices you send to the Benefits Administrator.

If you have questions concerning your Plan or your COBRA coverage rights, please contact:

Benefits Administrator  
BIG RIVERS ELECTRIC CORPORATION  
BOX 24  
HENDERSON KY 42420

For more information about your rights under ERISA, including COBRA, the Health Insurance Portability and Accountability Act (HIPAA), and other laws affecting group health plans, contact the nearest Regional or District Office of the U.S. Department of Labor's Employee Benefits Security Administration (EBSA) in your area or visit the EBSA website at [www.dol.gov/ebsa](http://www.dol.gov/ebsa).

### ***Benefits While on Family Medical Leave***

The Family Medical Leave Act (FMLA) requires some employers to maintain group health insurance for up to 12 weeks of continuous or intermittent unpaid leave each year for specific family and medical reasons. FMLA also contains rules regarding the rights of employees when and if they return from FMLA leave and other issues.

Not all employers are covered by FMLA and not all employees of covered employers are eligible for FMLA rights.

If you and your employer are covered by FMLA and you do not return from work at the end of FMLA leave, you may be entitled to elect COBRA coverage, even if you withdrew from coverage under this Plan during the leave.

Your Benefits Administrator can provide you with specific information on how FMLA affects you and your benefits.

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## ***Dental Benefits While on Military Leave***

Under the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA), if you go on active duty in the U.S. Armed Forces or the National Guard of a state that is called to federal service, you will have certain reemployment and employee benefit rights upon completion of duty, provided you were on an authorized military leave of absence.

If your military leave is for 31 days or less, dental coverage for you and your dependents will be continued automatically and your employer will pay the same portion of the cost as if you were still working. If your military leave is for a period greater than 31 days, dental coverage for you and your dependents will be continued under USERRA/COBRA for up to 24 months or until you return from active duty (whichever occurs first), but only if you pay the full cost of the coverage. All other benefits for you and your dependents terminate as of either the last day of active employment or compensated leave, but in no case later than the date of your entry into the armed services.

When you return from military leave, you will be eligible to participate in all applicable benefit programs upon re-employment without having to again fulfill any waiting periods. You must enroll within 31 days of re-employment. See your Benefits Administrator for more information.

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## Important Administrative Information

Here is some important administrative information about this Plan.

- This Plan operates under the official name of the NRECA Group Benefits Program. Its Plan Number is 501.
- Coverage under the Plan is self-insured and funded through contributions made solely by NRECA (address below), or jointly by NRECA and participating cooperatives:

National Rural Electric Cooperative Association  
Group Benefits Trust  
4301 Wilson Boulevard  
Arlington, VA 22203-1860

- Type of Plan: Group Health Plan
- The name and address of the Plan Sponsor is:

National Rural Electric Cooperative Association  
4301 Wilson Boulevard  
Arlington, VA 22203-1860

NRECA, as the Plan Sponsor, must abide by the rules of the Plan when making decisions related to how the Plan operates and how benefits are paid.

- The Plan Sponsor's Employer Identification Number is 53-0116145
- The Plan Administrator has discretionary and final authority to interpret and implement the terms of the Plan, resolve ambiguities and inconsistencies, and make all decisions regarding eligibility and/or entitlement to coverage or benefits. The Plan Administrator is:

Senior Vice-President  
Insurance & Financial Services  
National Rural Electric Cooperative Association  
4301 Wilson Boulevard  
Arlington, VA 22203-1860  
Telephone number: (703) 907-5500

Employer Identification Number: 54-2072724

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Your employer, however, has Plan Administrator responsibilities with respect to COBRA compliance, including the COBRA notice requirements.

In addition to the Senior Vice-President of the Insurance & Financial Services Department, the individual listed below is the person who has Plan Administrator responsibilities for your employer:

Benefits Administrator  
BIG RIVERS ELECTRIC CORPORATION  
BOX 24  
HENDERSON KY 42420  
Employer Identification Number: 61-0597287

- The Plan Trustee is:

State Street Bank and Trust Company  
225 Franklin Street  
Boston, MA 02101

- The agent for service of legal process is the Plan Administrator—the Senior Vice-President of the Insurance & Financial Services Department of NRECA. This is the person who receives all legal notices on behalf of the Plan Sponsor regarding claims or suits filed with respect to this Plan. Such legal process may also be served upon the Plan Trustee.
- **The Claim Administrator for the Plan is:**

Cooperative Benefit Administrators, Inc.  
P.O. Box 6249  
Lincoln, NE 68506

Except where pre-empted by ERISA or other U.S. laws, the validity of the Plan and any other provisions will be determined under the laws of the Commonwealth of Virginia.

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## ***Your Rights Under ERISA***

As a participant in the Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Plan participants are entitled to:

- Receive information about the Plan and its benefits.
- Examine, without charge, at the Plan Administrator's office or at other specified locations, such as worksites and union halls, all documents governing the Plan, including insurance contracts, collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.
- Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated Summary Plan Description. The administrator may make a reasonable charge for the copies.
- Receive a summary of the Plan's annual financial report. The Plan Administrator is required by law to furnish each participant with a copy of this Summary Annual Report.
- ERISA also provides that all Plan participants will be entitled to continue dental coverage for yourself, spouse or dependents if there is a loss of coverage under the Plan as a result of a qualifying event. You or your dependents may have to pay for such coverage. Review this Summary Plan Description and the documents governing the Plan on the rules governing your COBRA continuation coverage rights.
- Reduction or elimination of exclusionary periods of coverage for pre-existing conditions under your group NRECA Dental Plan - Enhanced Plan, if you have creditable coverage from another plan. You should be provided a certificate of creditable coverage, free of charge, from your group health plan or health insurance issuer when you lose coverage under the plan, when you become entitled to elect COBRA continuation coverage, when your COBRA continuation coverage ceases, if you request it before losing coverage, or if you request it up to 24 months after losing coverage. Without evidence of creditable coverage, you may be subject to a pre-existing condition exclusion for 12 months (18 months for late enrollees) after your enrollment date in your coverage.

In addition to creating rights for Plan participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your Plan, called fiduciaries of the Plan, have a duty to do so prudently and in the interest of you and other Plan participants and beneficiaries. No one, including your employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a welfare benefit or exercising your rights under ERISA.

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If your claim for a benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA there are steps you can take to enforce the above rights. For instance, if you request a copy of Plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in Federal court. In such case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in state or Federal court after exhausting all mandatory appeal procedures under the Plan. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a medical child support order, you may file suit in Federal court after exhausting all mandatory appeal procedures under the Plan. If it should happen that the Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in Federal court. The court will decide who should pay the costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Please remember that you may not file a lawsuit in Federal or state court to enforce your rights until you have exercised, and exhausted, all administrative claim and appeal rights described in the Plan and in this document.

If you have any questions about your Plan, you should contact the Plan Administrator. If you have any questions about this statement or your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, DC 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

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## **Health Insurance Portability and Accountability Act of 1996 (HIPAA)**

### **How do the HIPAA privacy rules protect my confidential health information?**

The HIPAA privacy rules govern how health information about you may be used and provide you with certain rights with respect to your health information. The privacy rules became effective April 14, 2003.

#### **Privacy Practices**

NRECA and Cooperative Benefit Administrators (CBA) have always taken steps to protect the privacy of your personal health information. NRECA has amended the Group Benefits Program to add the provisions described below to comply with new federal privacy regulations issued under HIPAA.

#### **Privacy Obligations**

The Group Benefits Program is required by federal law to protect the privacy of your individually identifiable health information that it creates or receives (“Protected Health Information”) and to provide you with information about its legal duties and privacy practices. When the Group Benefits Program uses or discloses your Protected Health Information, it is required to abide by its privacy practices. It is important to note that these practices apply to the Group Benefits Program and not to the employers participating in the Group Benefits Program.

#### **Use and Disclosure of Your Protected Health Information**

The Group Benefits Program may use or disclose your Protected Health Information to others without your authorization for purpose of treatment, payment or health care operations of the Group Benefits Program. Treatment includes providing, coordinating, and managing your health care and related services. Payment includes obtaining payment for your coverage, administering claims, coordinating benefits and aiding other health plans or health care providers in obtaining payment for their services. Health care operations include using or disclosing information for business planning, quality assessment, case management and disease management.

The Group Benefits Program may also disclose your Protected Health Information to a limited group of employees of NRECA or CBA to carry out the Plan Sponsor’s responsibilities to administer Plan payment and health care operations. The Group Benefits Program may not disclose your Protected Health Information to NRECA or CBA for any other reason without your authorization. However, health information derived from other sources, for example in connection with an application for disability benefits or a leave qualifying under the Family and Medical Leave Act, is not protected by HIPAA.

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The Group Benefits Program is not restricted from using or disclosing any health information that does not identify an individual. The Group Benefits Program may also disclose summary health information to NRECA in order for NRECA to obtain premium bids or to modify, amend or terminate the Group Benefits Program. Your eligibility and enrollment information may also be used by or disclosed to NRECA or CBA.

The Group Benefits Program may also use or disclose your Protected Health Information without your authorization for the following purposes: to comply with the law; for public health and health oversight activities; in connection with judicial and administrative proceedings; to law enforcement and government officials; for health or safety purposes; or for workers' compensation purposes.

In most other cases, the Group Benefits Program cannot use or disclose your Protected Health Information without your authorization. If you choose to authorize additional uses and disclosures of your Protected Health Information, you may revoke your authorization at any time.

### **Your Rights**

You may request additional restrictions on the use and disclosure of your Protected Health Information for payment and health care operations; however, the Group Benefits Program does not have to grant your request.

You may request that you receive your Protected Health Information by an alternative means of communication or at another location if receiving Protected Health Information through the standard method of communication will endanger you.

You have a right to inspect and copy your Protected Health Information; however, the Group Benefits Program may deny your request under certain circumstances.

You have a right to request that the Group Benefits Program amend your Protected Health Information in any system maintained by or for it, however the Group Benefits Program may deny your request under certain circumstances. If your physician or other health care provider created the information that you desire to amend, you should contact the provider directly.

You may obtain an accounting of certain disclosures of your Protected Health Information made after April 14, 2003. You may be charged if you request an accounting more than once within a 12-month period.

### **Notice of Availability of HIPAA Notice of Privacy Practices**

The privacy rules under HIPAA govern how health information about you may be used, and provide you with certain rights with respect to your health information. The Plan maintains a Notice of Privacy Practices that provides information to individuals whose protected health information (PHI) will be used or maintained by the Plan. If you would like a copy of the Plan's

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Notice of Privacy Practices, please contact NRECA's Privacy Officer:

Privacy Officer  
NRECA  
4301 Wilson Blvd.  
Arlington, VA 22203-1860  
Telephone: (703) 907-6601  
Fax: (703) 907-6602  
E-mail: [privacyofficer@nreca.coop](mailto:privacyofficer@nreca.coop)

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## **Additional Administrative Information**

### ***Not a Contract of Employment***

This Plan must not be construed as a contract of employment and does not give any employee a right of continued employment.

### ***Non-Assignment of Benefits***

You cannot assign, pledge, borrow against or otherwise promise any benefit payable under the Plan before you receive it. The one exception to this provision is in the case of a Qualified Medical Child Support Order (QMCSO) that requires you to provide benefits to a child.

### ***Mistakes in Payment***

Although every effort is made to pay your benefits from the Plan accurately, mistakes can occur. If a mistake is discovered, the Claims Administrator will make corrections that are deemed appropriate. You will be notified if a mistake is found.

### ***Recovery of Overpayment***

If the Plan makes an overpayment, it will have the right at any time to recover that overpayment from the person to whom or on whose behalf it was made, or to offset a future claim payment by the amount of the overpayment.

### ***Subrogation or Third Party Liability Provision***

If you and/or your dependent(s) suffer an injury due to the fault of any third party (such as in an automobile accident), you and/or your dependent(s) may receive benefits from this Plan. Immediately upon paying any benefits to you and/or your dependent(s), however, the Plan shall be subrogated to (that is, substituted for) all rights of recovery that you and/or your dependent(s) have against any third party for medical benefits due to your injury and/or your dependent(s). In the event that you and/or your dependent(s) receive a settlement, judgment or compensation from that third party due to your injury, the Plan reserves the right to seek reimbursement of the medical benefits paid on your behalf and/or your dependent's behalf under this Plan.

In most cases, the Plan will not be reimbursed directly by the third party. Normally, your claim and/or your dependent's claim against the third party will be settled with the third party. Therefore, if your and/or your dependent's medical benefits are paid by the Plan and then you and/or your dependent(s) receive a settlement from the third party or the third party's insurer to compensate you and/or your dependent(s), you must reimburse the Plan for the benefits it paid to you and/or your dependent(s) up to the amount of such compensation. This Plan's right of subrogation and reimbursement is a first priority right of reimbursement, to be satisfied before

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payment of any other claims, including attorney's fees and costs (or any common fund doctrine), and regardless of any state's make-whole doctrine.

This provision of the Plan allows you and/or your dependent(s) to receive benefits, and, at the same time, places the expense of medical coverage -- with the person who caused your injury and/or dependent(s) injury. As a condition of receiving benefits under this Plan, you and/or your dependent(s) are expected to cooperate with CBA with its recovery of any amounts for which the Plan is entitled to be reimbursed, including the completion of any forms, and to repay the Plan any amounts you and/or your dependent(s) receive due to the injury. **If you fail to repay the Plan any amounts you and/or your dependent(s) receive due to the injury, the Plan reserves the right to suspend payment(s) for any future medical claims until it has recovered such amounts.**

### ***Changing or Terminating the Plan***

The Plan Administrator reserves the right to make changes to this Plan or terminate this Plan at any time, for any reason. This includes the right to change the cost of coverage. These changes may be made with or without advance notice to Plan participants.

### ***Benefits in Retirement***

Your employer may continue to offer dental benefits for you and your eligible family members after you retire. Please see your Benefits Administrator for more information. However, your rights to any post-retirement benefits are subject to the policies of your employer and can change at any time.

### ***Other Employee Classes***

The Group Benefits Program may also cover employees in other employee classes for your employer. If this is the case, a separate Summary Plan Description has been prepared for them that details the specific benefits for which they are eligible.

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## Key Terms

This section provides definitions of key terms used throughout this document.

**Accident**—A non-occupational injury that is caused by a sudden and unforeseen event and is exact as to the time and place it occurred.

**Annual Dental Benefit Maximum** —This is the maximum amount the Plan will pay for a covered person in a year for combined preventive and diagnostic, basic and major dental services.

**Basic Services**—Basic Services include fillings, restorative repairs, space maintainers, oral surgery, general anesthesia, periodontics, and endodontics.

**Cosmetic Dentistry**—Cosmetic dentistry refers to dental treatments and services that are solely for the purpose of improving appearance.

**CBA**-Cooperative Benefit Administrators, Inc.

**Deductible**—This is the amount you pay (\$50) in covered services before the Plan begins to pay benefits for major dental services.

**Dental Treatment Plan**—A Dental Treatment Plan is a Plan that should be submitted by your dentist if you and/or your dentist expect a particular course of treatment to cost \$300 or more.

**Eligible Charges**—These are charges for covered services that are provided to you or a covered dependent. The service must be:

- In the list of dental services provided under the Plan,
- Part of a treatment plan, and
- Not excluded by the section “What Is Not Covered.”

**ERISA**—The Employee Retirement Income Security Act of 1974, as amended.

**Lifetime Orthodontic Benefit Maximum**—This is the maximum amount the plan will pay toward benefits for orthodontia in an eligible person’s lifetime. This lifetime orthodontic benefit maximum is currently \$2,000 per eligible person’s lifetime.

**Major Services**—Major services include inlays, crowns, pontics (artificial teeth), removable bridges, dentures and partial dentures.

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**Necessary Services and Supplies**—To be considered "necessary," dental services or supplies must be:

- Ordered by a dentist
- Commonly and customarily recognized as appropriate for proper dental care and treatment
- Neither educational nor experimental in nature
- Not furnished mainly for the purpose of dental or other research.

**Orthodontia Services**—These are services associated with the straightening of teeth.

**Orthodontic Treatment Plan**—An Orthodontic Treatment Plan is a plan that your dentist should submit to CBA before orthodontic treatment is started. The plan should:

- Describe the recommended treatment;
- Outline the estimated charges for the treatment; and
- Be accompanied by cephalometric x-rays, study models and other supporting evidence that treatment is needed.

**Preventive and Diagnostic Services**—Preventive and Diagnostic Services include visits to a dentist, dental examinations, x-rays, pathology and sealants.

**Reasonable and Customary Charges**—Any charges that you or a covered dependent incur are subject to what are known as "reasonable and customary" charges. These charges are determined by Cooperative Benefit Administrators (CBA) and are updated on a regular basis. Each reasonable and customary charge represents the prevailing charge in a geographic area for a particular dental treatment or service.

The "reasonable and customary charge" for any service or supply is the usual charge of the provider for the service or supply in the absence of the insurance, but not more than the prevailing charge in the area for a like service or supply.

- A "like service" is of the same nature and duration, requires the same skill, and is performed by a provider of similar training and experience.
- A "like supply" is one that is identical or substantially equivalent.
- "Area" means the municipality (or, in the case of a large city, the subdivision of it) in which the service or supply is actually provided or such greater area as is necessary to obtain a representative cross-section of charges for a like service or supply.

In setting reasonable and customary charges, CBA takes into account factors such as:

- The nature and duration of the service
- The skill required to perform that service
- The training and experience of the provider who performs the service
- The supplies necessary for the treatment or service.

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**Student Status**—"Full-time student status" is defined by the institution your child attends and will be verified by CBA when claims are filed. When you submit a claim for a dependent child who attends school, you must complete the student verification section on the claim form.

"Student status" is considered to be effective for each semester the child has a signed letter-of-acceptance of or is enrolled as a full-time student. If the letter/enrollment is in effect when the child reaches age 19 and the child is otherwise eligible for the Plan, the student status is effective on the 19th birthday. "Student status" is effective for each semester in which the child remains enrolled. The standard two-semester-per-year schedule is:

- Fall semester—September 1 through January 31 of the next year
- Spring semester—February 1 through August 31 of the same year

If the school is on a quarterly schedule, the student must be enrolled for three consecutive quarters on a full-time basis to be considered eligible for the entire year.

Please note that coverage under this Plan will cease immediately when the student graduates, is no longer a full-time student, or otherwise fails to be eligible for coverage. (See Your Rights section for additional details)

**Subrogation**—The Plan's right to take action to recover the amount of a claim paid to a covered insured if the loss was caused by a third party.



BIG RIVERS ELECTRIC CORPORATION'S  
RESPONSE TO THE COMMISSION'S FEBRUARY 23, 2009 FIRST DATA  
REQUEST TO BIG RIVERS ELECTRIC CORPORATION  
PSC CASE NO. 2009-00040  
March 18, 2009

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**Item 36)** List separately the budgeted and actual numbers of full-time and part-time employees by employee group, by month and by year, for the test year and each of the 3 previous calendar years.

**Response)** Schedules are attached showing the budgeted and actual numbers of employees, by month and by year, for the test year and the years 2005, 2006, and 2007.

**Witness)** C. William Blackburn

**Big Rivers Electric Corporation**

Case No. 2009-00040

**Employee Count by Employee Group  
Item 36**

**For the Test Year Ending November 30, 2008**

Test Year Ending 11/30/08 Budget	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
Bargaining-Full-Time	26	27	27	27	27	27	27	27	27	27	27	27
Salaried-Full-Time	84	89	89	89	89	89	89	89	89	89	89	89
Salaried-Temporary	3	3	3	3	3	3	3	3	3	3	3	3
<b>2007 Budget</b>												
Bargaining-Full-Time	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Salaried-Full-Time	26	26	26	26	26	26	26	26	26	26	26	26
Salaried-Temporary	84	84	84	84	84	84	84	84	84	84	84	84
	2	2	2	2	2	2	1	1	1	1	1	1
<b>2006 Budget</b>												
Bargaining-Full-Time	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Salaried-Full-Time	24	24	24	24	24	24	24	24	24	24	24	24
Salaried-Temporary	78	78	79	79	79	79	79	79	79	79	79	79
	1	1	1	1	1	1	1	1	1	1	1	1
<b>2005 Budget</b>												
Bargaining-Full-Time	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Salaried-Full-Time	25	25	25	25	25	25	25	25	25	25	25	25
Salaried-Temporary	76	75	75	76	76	75	75	75	75	75	75	75
	1	1	1	1	1	1	1	1	1	1	1	1

**Big Rivers Electric Corporation**

Case No. 2009-00040

**Employee Count by Employee Group  
Item 36**

**For the Test Year Ending November 30, 2008**

Test Year Ending 11/30/08 Actual	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
Bargaining-Full-Time	26	26	26	26	26	26	26	26	27	27	27	26
Salaried-Full-Time	85	86	87	87	87	87	87	87	87	87	87	88
Salaried-Temporary	3	3	3	3	3	3	4	4	4	4	4	5
<b>2007 Actual</b>	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Bargaining-Full-Time	25	25	25	25	26	27	27	27	26	26	26	26
Salaried-Full-Time	79	79	79	80	81	83	84	84	84	84	84	85
Salaried-Temporary	1	1	1	1	3	3	3	3	3	3	3	3
<b>2006 Actual</b>	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Bargaining-Full-Time	20	21	21	23	23	23	23	24	24	24	24	25
Salaried-Full-Time	76	75	76	75	77	79	79	79	80	79	79	79
Salaried-Temporary	1	1	1	1	1	1	1	1	1	1	1	1
<b>2005 Actual</b>	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Bargaining-Full-Time	23	23	23	23	22	23	23	23	23	23	23	22
Salaried-Full-Time	72	74	76	75	75	75	75	74	74	74	74	74
Salaried-Temporary	1	1	1	1	1	1	1	1	1	1	1	1



BIG RIVERS ELECTRIC CORPORATION'S  
RESPONSE TO THE COMMISSION'S FEBRUARY 23, 2009 FIRST DATA  
REQUEST TO BIG RIVERS ELECTRIC CORPORATION  
PSC CASE NO. 2009-00040  
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**Item 37)** Provide a copy of all wage, compensation, and employee benefits studies, analyses, or surveys currently utilized by Big Rivers.

**Response)** Attached hereto are copies of: (i) 2008 report of the Tri-State Business Group on Health of Evansville, Indiana, on an employer benefit plan and health care cost survey conducted by them in collaboration with the Evansville-Area Human Resource Association; (ii) 2007 statistical summary of benefit plan provisions prepared by Watson Wyatt from its proprietary COMPARISON database; (iii) report of Watson Wyatt on market comparison results of a benchmarking study completed by them in April 2008; and (iv) summary statistics of 2007 G&T Managers' Association compensation survey conducted by NRECA.

**Witness)** C. William Blackburn



# 2008 Employer Benefit Plan & Health Care Cost Survey Full Report

June 2008

## 2008 Employer Benefit Plan & Health Care Cost Survey Full Report - Introduction

Tri-State Business Group on Health (TSBGH), in collaboration with the Evansville-Area Human Resource Association (EHRA), conducted the fourth annual survey of area businesses about their health care benefits, employee contributions, per employee costs, and strategies to contain costs. The results provide a benchmark to assist companies in comparing their benefits to other survey participants, and in evaluating the competitiveness and appropriateness of the medical benefit package they offer.

### Survey findings include:

#### Employee Cost Sharing (Deductibles, Copayments and Coinsurance)

- Deductibles continue to increase, especially out-of-network deductibles.
- The most commonly reported individual deductible is \$500 and the most commonly reported family deductible is \$1,000.
- An increase in the use of coinsurance for specialty physician office visits is noted.
- The most common copayment for primary care is \$20 and the most common copayments for specialty care physician office visits are \$20 and \$25.

#### Employee Cost Sharing (Monthly Employee Contributions)

- Employee contributions increased for all coverage tiers:
  - Employee-only coverage increased 3% to \$65.31 per month
  - Employee + spouse coverage decreased 8% to \$205.07 per month
  - Employee + child coverage decreased 3% to \$166.82 per month
  - Family coverage decreased 6% to \$273.12 per month

#### Fully-Insured Plan Premiums

- The average fully-insured plan premium for employee-only coverage is \$350.93 per month.
- The average fully-insured plan premium for family coverage is \$1,008.45 per month.
- The greatest increases were seen in point-of-service plans.
- 4% of survey participants reported 1-5% decreases in fully-insured premiums from the prior plan year, 48% reported an increase of 1-10% and 35% reported an increase of 11-20%.

#### Composite Cost Per Active Employee

- Total composite cost per active employee across all plan types (for both fully-insured and self-funded plans) decreased 0.4% to \$6,920 per employee.

#### Prescription Drug Benefits

- There is slow growth in the use of prescription drug deductibles.
- Flat dollar copayments continue to be used most frequently over coinsurance.
- The majority of survey participants cover Specialty/Biotech drugs, but do not have a separate cost sharing tier for them.

**Plan Management Strategies**

- 20% of survey participants have implemented a High Deductible Health Plan (HDHP) with a Health Savings Account (HSA).
- Of those survey participants that have not yet implemented a HDHP with a HSA, 8% say they will implement one by the end of 2009 and 85% are either undecided or will never offer one.
- 29% of survey participants provide coverage for bariatric (weight loss) surgery.
- Coverage of the prescription drug Chantix is the most commonly offered smoking cessation aid followed by coverage of nicotine replacement patches.

**Dental Benefits**

- 98% of participating companies offer dental benefits to their employees.
- 49% of dental benefit plans are voluntary.
- 21% of dental benefit plans have a deductible in place.
- Preventive dental services are most likely to be covered at 100% while basic and major dental services are most likely to be covered at 50%.
- The most commonly reported annual maximum dental benefit is \$1,000.
- 91% of survey participants that offer dental benefits also offer orthodontia coverage which is most commonly offered to children at 50% coverage with a lifetime maximum benefit of \$1,000.
- The cost of dental benefits appears to have increased more than the cost of medical benefits. The average total monthly cost of dental benefits is:
  - Employee-only coverage = \$20.61
  - Employee + spouse coverage = \$43.45
  - Employee + child coverage = \$55.12
  - Family coverage = \$70.03

**Employee Wellness Programs**

- 60% of survey participants report having a formal wellness program in place.
- 72% of survey participants with wellness programs have had them in place for at least three years.
- Employee subsidy for first aid classes, on-site health care advocates, on-site CPR and on-site first aid classes are the most commonly used components of existing wellness programs.
- The most commonly cited challenges of existing wellness programs are increasing employee participation and getting employees to reduce their risk factors.

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*NOTE: The information contained in this report is shared directly with survey participants (participants) and other individuals and companies that have purchased the information (purchasers). This information should be freely shared within participant and purchaser companies for the purpose of benchmarking and evaluating their own benefits packages, but it cannot be copied and/or distributed to any person or party not directly employed by, or affiliated through ownership with the participant or purchaser.*

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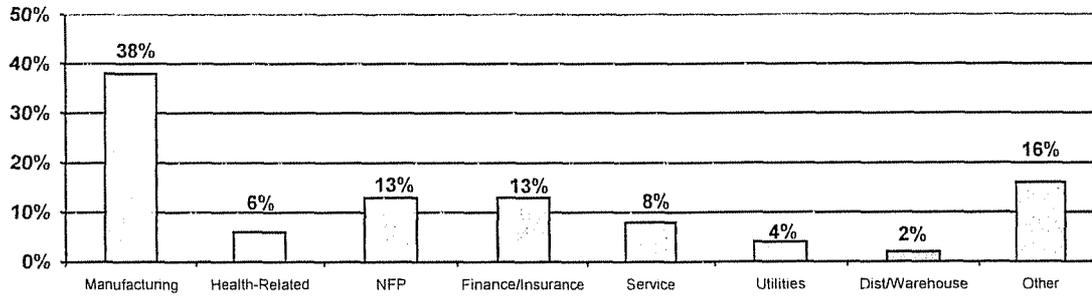
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## Survey Participation

Forty-eight (48) area companies participated in the survey. A list of participating companies can be found in *Appendix A*.

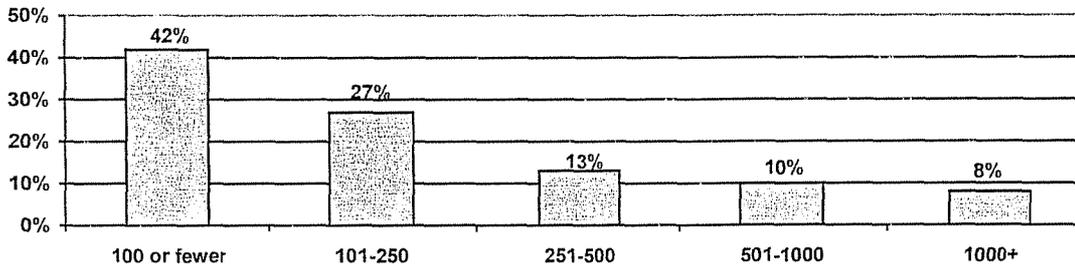
## Industry Classifications of Participants

Nearly 40% of participating companies are in manufacturing. A list of definitions of industry classifications can be found in *Appendix B*. (Note: NFP is not-for-profit)



## Number of Employees Within Participating Companies

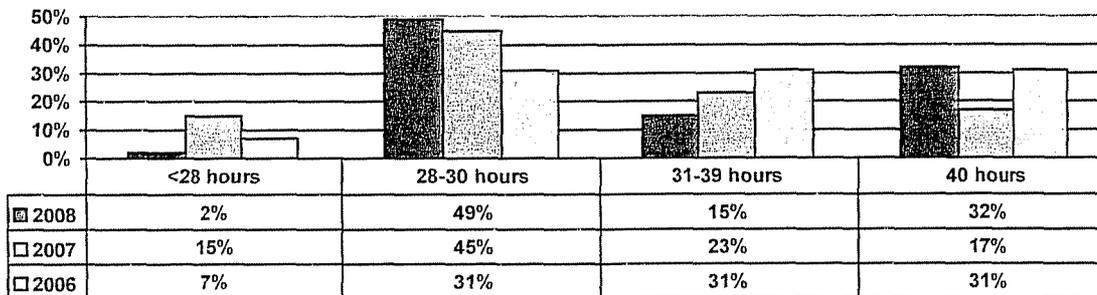
58% of participating companies have over 100 employees.



## Eligibility

### Number of Hours Required to Work to be Eligible for Benefits

47% of survey participants require more than 30 hours of work per week to be eligible for benefits.

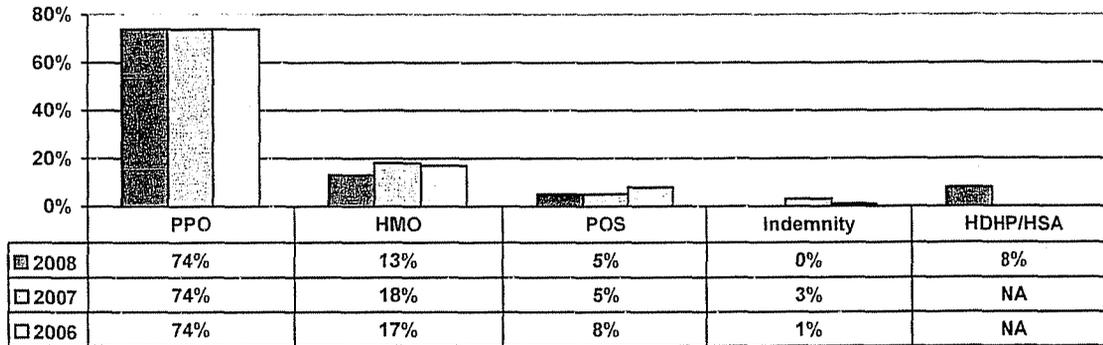


## Plans Offered

### Types of Plans Offered

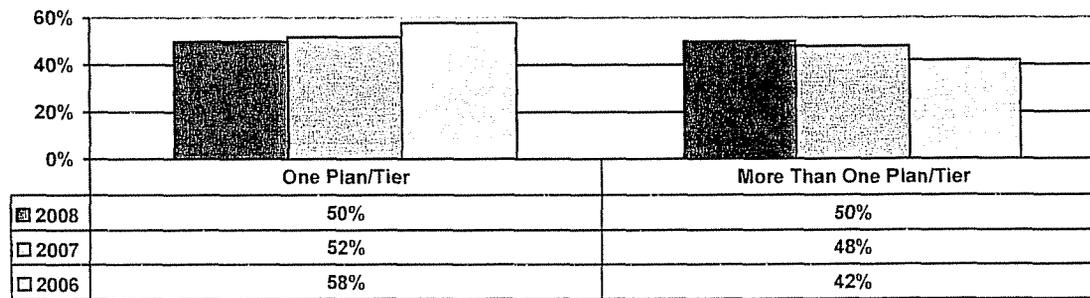
A total of 77 unique health plans are offered by participating companies. Nearly 75% are PPO plans. 8% of participating companies provided information for a HDHP/HSA plan.

(Note: POS = Point-of-Service, HDHP/HSA = High Deductible Health Plan with Health Savings Account)



### Number of Plans/Tiers Offered

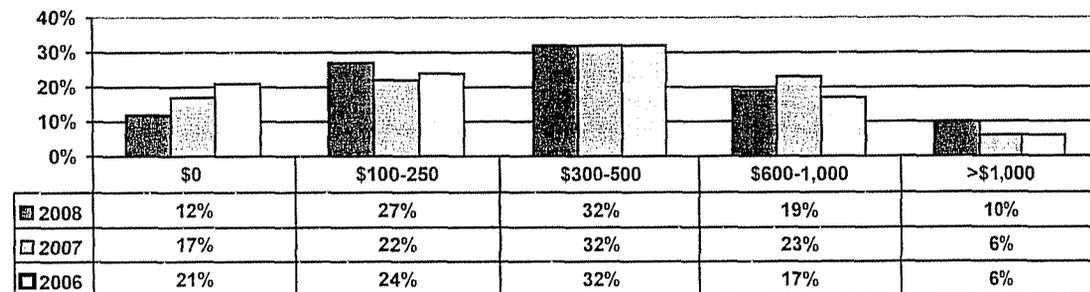
Half of the survey participants offer only one plan/tier option to their employees.



## Medical Plan Design - Deductibles

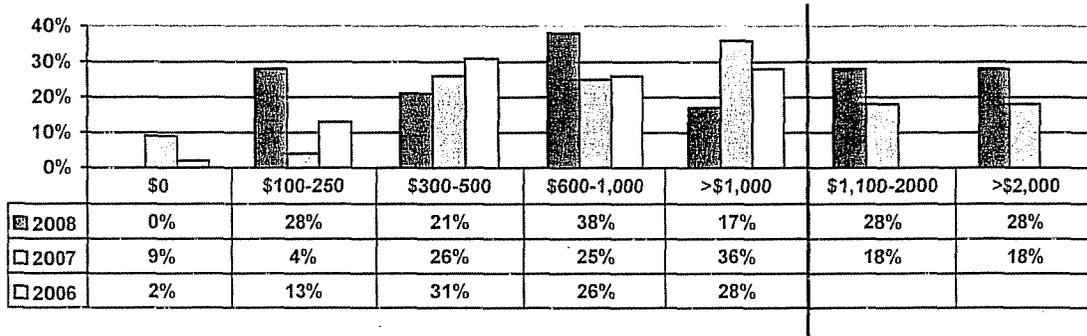
### Individual In-Network Deductibles

61% of survey participants have an individual, in-network deductible of at least \$300, this is unchanged from 2007.



### Individual Out-of-Network Deductibles

55% of participants have an individual, out-of-network deductible of at least \$600, up from 61% in 2007.

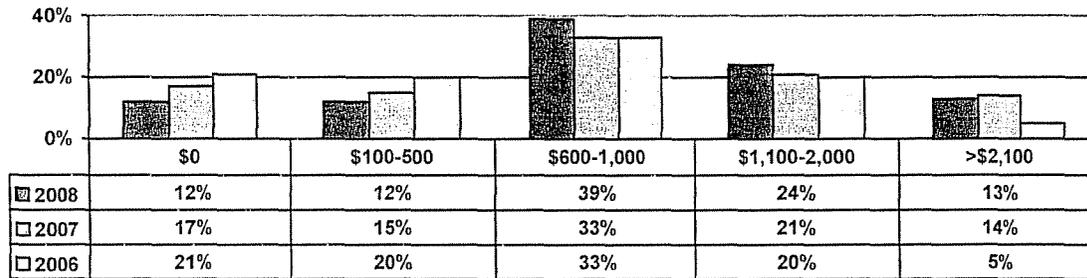


### Most Commonly Reported Individual Deductibles

The most common in-network, individual deductible, reported for 20% of all plans, is \$500. 20% of survey participants reported an out-of-network deductible of \$500 and another 20% reported an out-of-network deductible of \$1,000.

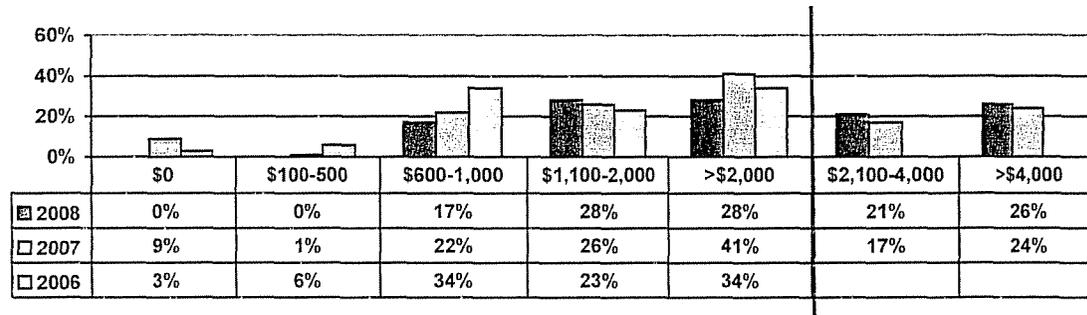
### Family In-Network Deductibles

76% of survey participants reported a family, in-network deductible of at least \$600, up from 68% in 2007.



### Family Out-of-Network Deductibles

56% of survey participants reported a family, out-of-network deductible of at least \$1,100, down from 67% in 2007.



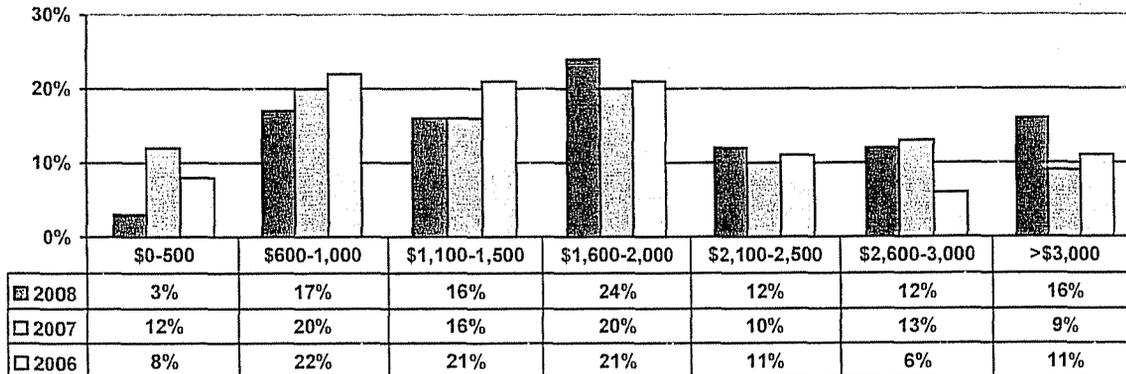
### Most Commonly Reported Family Deductibles

The most common in-network, family deductible, reported by 16% of all plans, is \$1,000. The most common out-of-network, family deductible, reported by 17% of all plans, is also \$1,000.

### Medical Plan Design - Out-of-Pocket Maximum

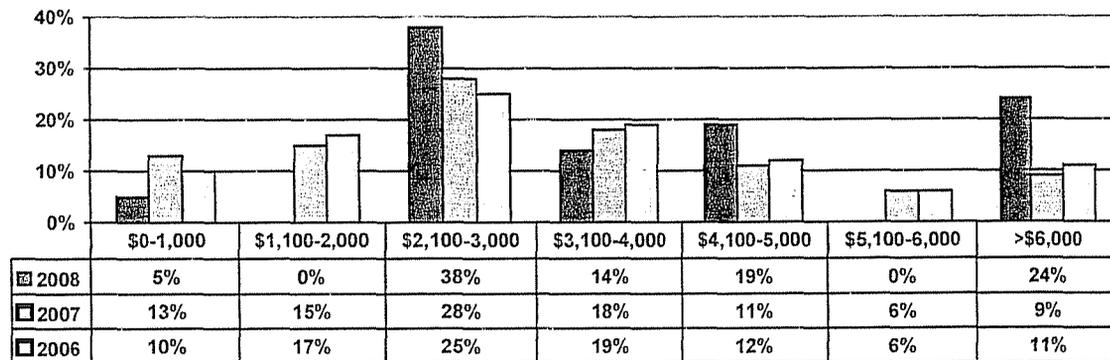
#### In-Network, Individual, Out-of-Pocket Maximum

64% of survey participants reported an in-network, individual, out-of-pocket maximum of at least \$1,600, up from 52% of participants in 2007.



#### Out-of-Network, Individual, Out-of-Pocket Maximum

57% of survey participants reported an out-of-network, individual, out-of-pocket maximum of at least \$3,100, up from 44% in 2007.



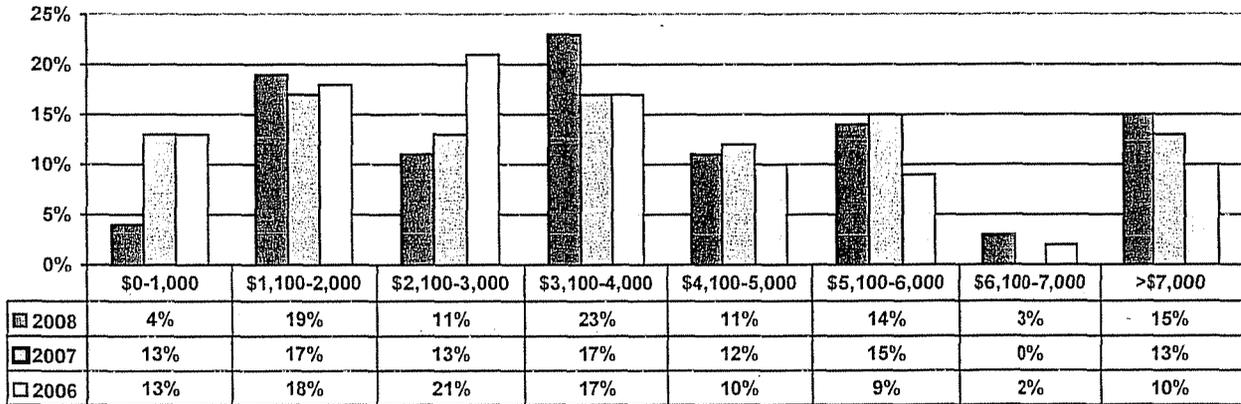
### Most Common Individual Out-of-Pocket Maximums

The most common in-network, individual out-of-pocket maximums, reported by 18% of all plans, is \$2,000. In 2007, 11% of all plans reported in-network, individual out-of-pocket maximums of \$1,500 and \$2,000.

The most common out-of-network, individual out-of-pocket maximums, reported by 18% of all plans each, is \$2,500 and \$3,000.

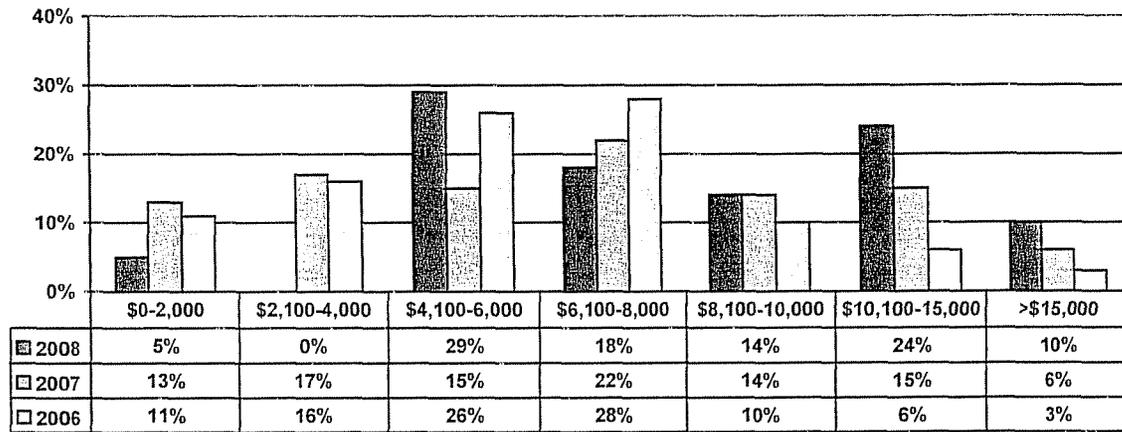
In-Network, Family, Out-of-Pocket Maximum

66% of survey participants reported an in-network, family, out-of-pocket maximum of at least \$3,100, up from 57% in 2007.



Out-of-Network, Family, Out-of-Pocket Maximum

66% of survey participants reported an out-of-network, family, out-of-pocket maximum of at least \$6,100, up from 57% of participants in 2007.



Most Common Family Out-of-Pocket Maximums

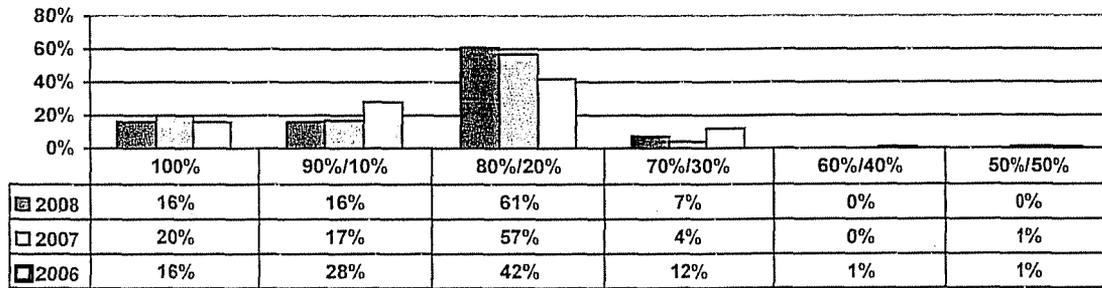
18% of all plans reported having a \$4,000 in-network, family out-of-pocket maximum. In 2007, 12% of all plans reported having a \$6,000 in-network, family out-of-pocket maximum.

The most common out-of-network, family out-of-pocket maximum, reported by 14% of all plans, is \$5,000. In 2007, 12% of all plans reported having an out-of-network, family out-of-pocket maximum of \$8,000.

## Medical Plan Design - Company Paid Coinsurance

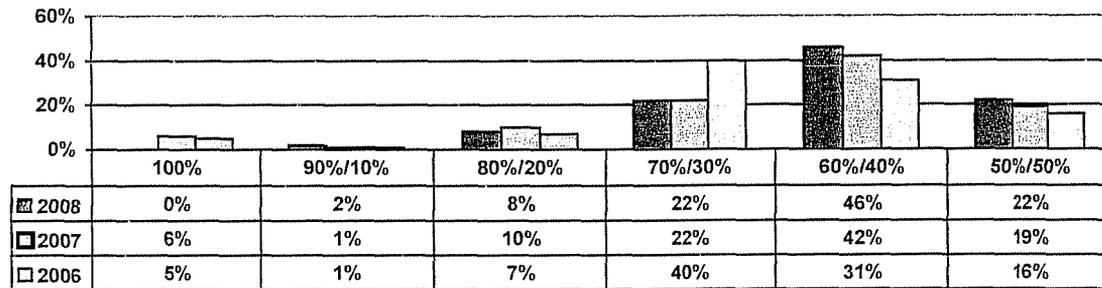
### In-Network Company Paid Coinsurance

68% of survey participants reported requiring at least a 20% cost share from employees for in-network care, up from 62% in 2007.



### Out-of-Network Company Paid Coinsurance

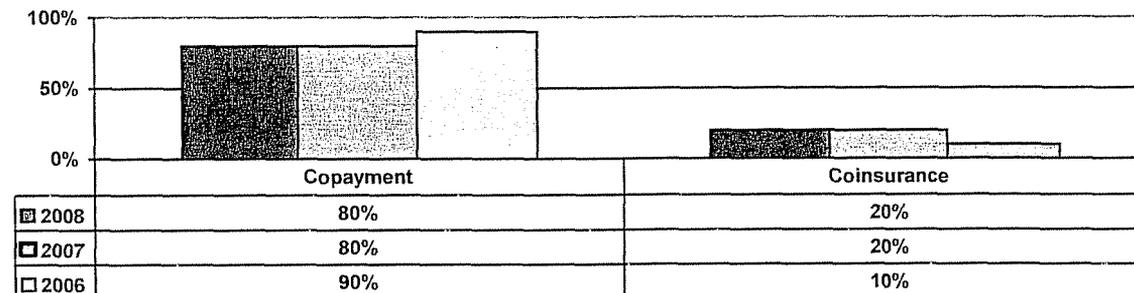
90% of survey participants reported requiring at least a 30% cost share from employees for out-of-network care, up from 83% in 2007.



## Medical Plan Design - Cost Sharing (Copayments and Coinsurance)

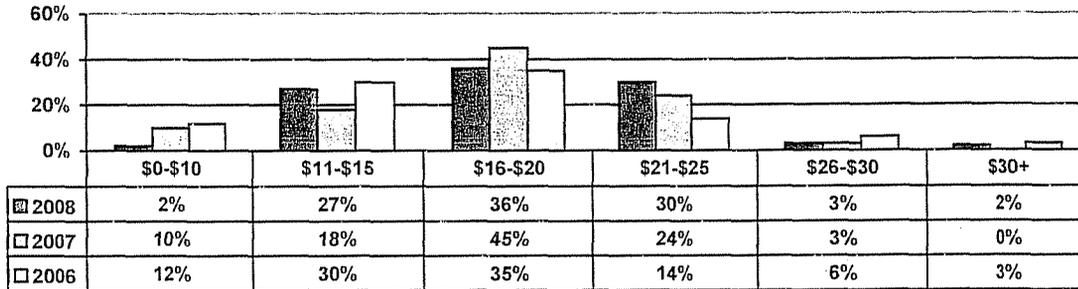
### Copayments vs. Coinsurance for Primary Care Physician Office Visits

The use of coinsurance (a percentage of the total cost) for primary care office visits has remained the same from 2007.



### Primary Care Physician Office Visit Copayments

71% of survey participants reported having a primary care office visit copayment that is greater than \$15 virtually unchanged from 72% in 2007.

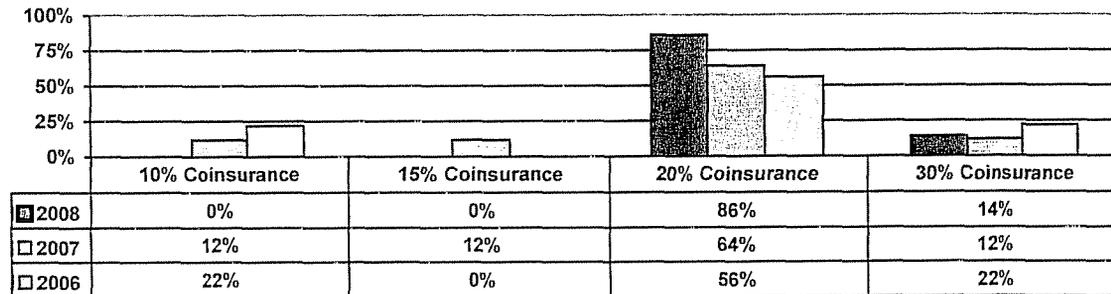


### Most Common Copayment for Primary Care Physician Office Visits

36% of all plans reported having a \$20 copayment and 30% reported having a \$25 copayment for primary care physician office visits. In 2007, 45% of all plans reported having a \$20 copayment for primary care physician office visits.

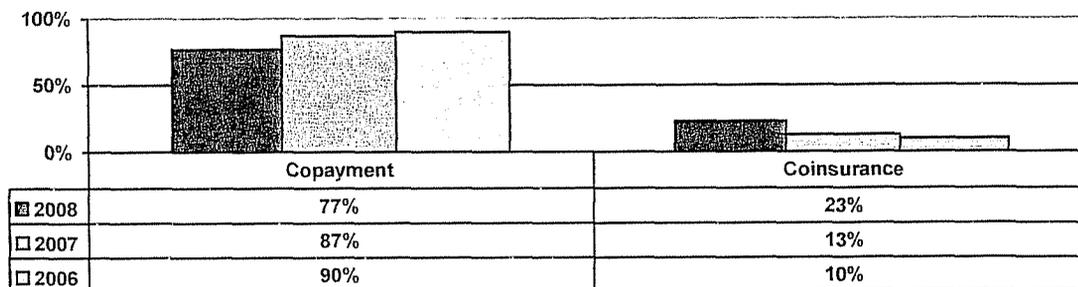
### Primary Care Physician Office Visit Coinsurance

The number of participants with coinsurance for primary care physician office visits most frequently reported having a coinsurance level of 20%.



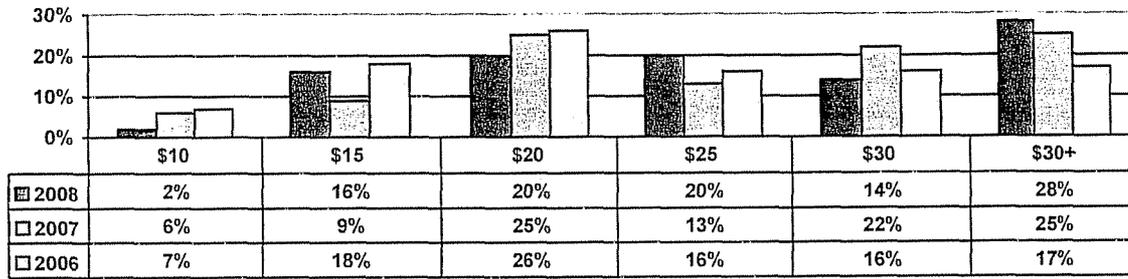
### Copayments vs. Coinsurance for Specialty Care Physician Office Visits

The use of coinsurance (a percentage of the total cost) for specialty care office visits continues to increase.



### Specialty Care Physician Office Visit Copayments

62% of plans reported a copayment of at least \$25, up from 60% of plans in 2007.

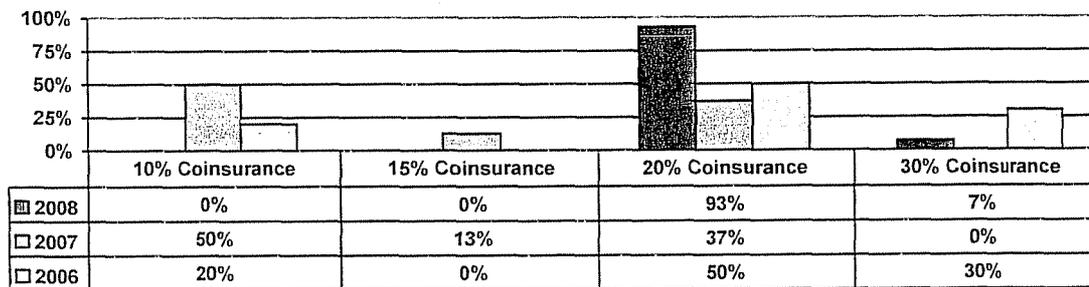


### Most Common Copayment for Specialty Care Physician Office Visits

20% of all plans reported having a \$20 copayment for specialty care physician office visits and another 20% reported having a \$25 copayment. In 2007, 25% of all plans reported having a \$20 copayment for specialty care physician office visits.

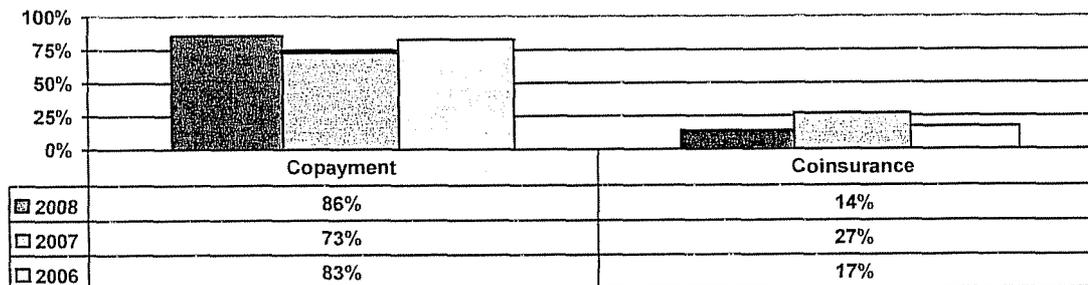
### Specialty Care Physician Office Visit Coinsurance

The most frequently reported specialty care office visit coinsurance level is 20%.



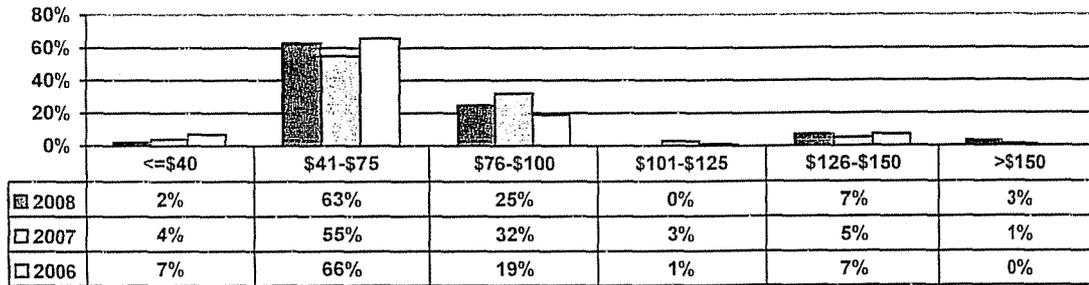
### Copayments vs. Coinsurance for Emergency Room Services

The majority of survey participants reported having a benefit design with flat dollar copayments for emergency room services.



### Emergency Room Copayments

90% of survey participants reported an emergency room copayment of \$100 or less. This is virtually unchanged from 2007.

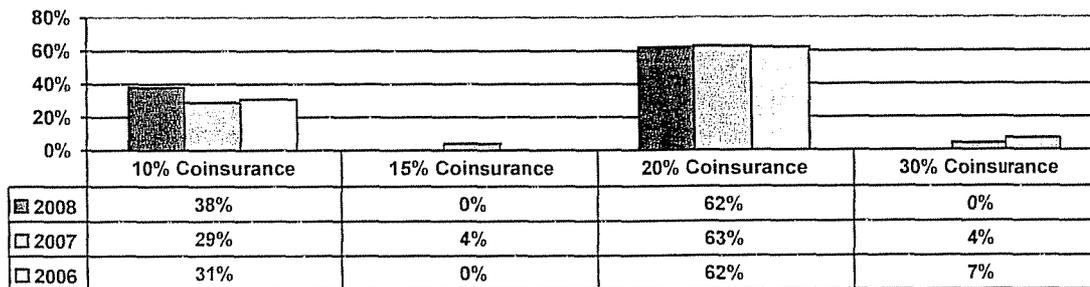


### Most Common Copayment for Emergency Room Services

33% of all plans reported having a \$50 copayment for emergency room services, 30% of all plans reported having a \$75 copayment and 25% of all plans reported having a \$100 copayment. In 2007, 32% of all plans reported having a \$100 copayment for emergency room services.

### Emergency Room Services Coinsurance

The number of participants with coinsurance for emergency room services most frequently reported having a coinsurance level of 20%.

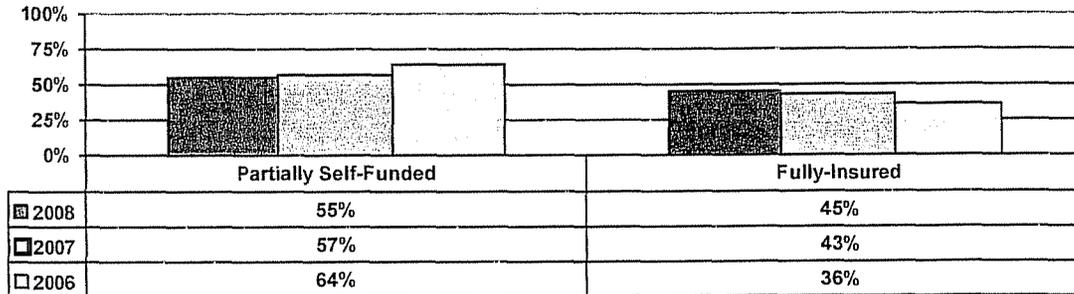


## Health Plan Funding

Employers have two general options for funding their employee health plans: a **fully-insured plan** or a **partially self-funded/self-insured plan**. A health plan is **fully-insured** if it is purchased from an insurance company that assumes full risk for medical expenses. A **self-funded or self-insured** health plan is one where the employer assumes the financial risk of covering its employees and pays medical expenses from its own financial resources. Partial self-funding or self-insurance simply means stop-loss insurance (sometimes also referred to as reinsurance) has also been purchased to protect the company when any one individual or the entire group exceeds a predetermined amount of medical expenses.

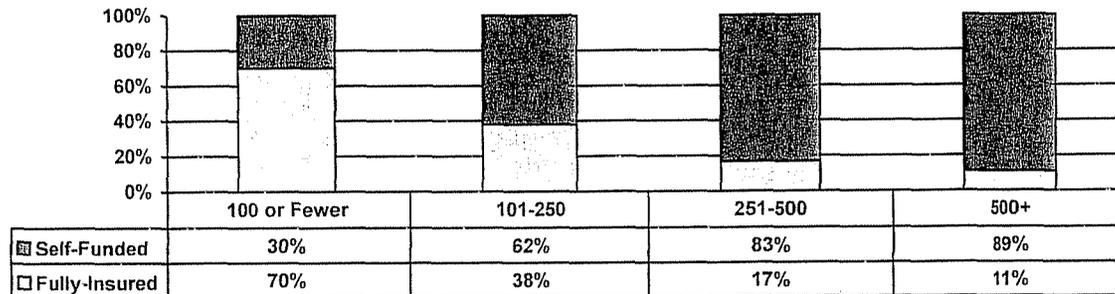
### Type of Plan Funding

Of all plans reported on in the survey, the majority are partially self-funded.



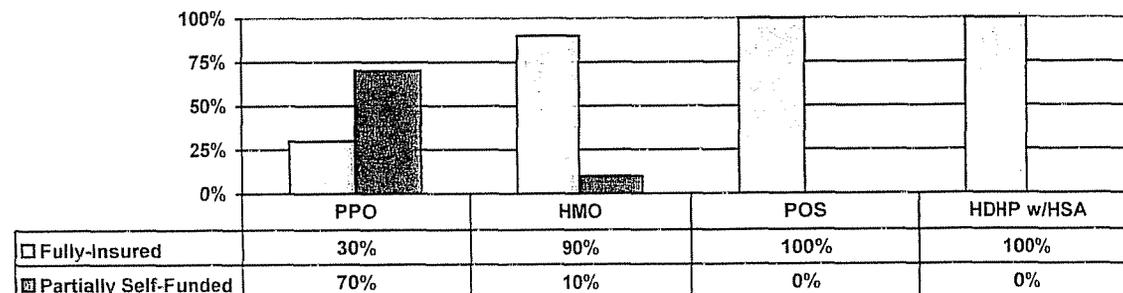
### Type of Plan Funding By Company Size (# of Employees)

Survey participants with 100 or fewer employees are more likely to have a fully-insured plan and those with 100 or more employees are more likely to partially self-fund their plan.



### Type of Plan Funding by Type of Plan

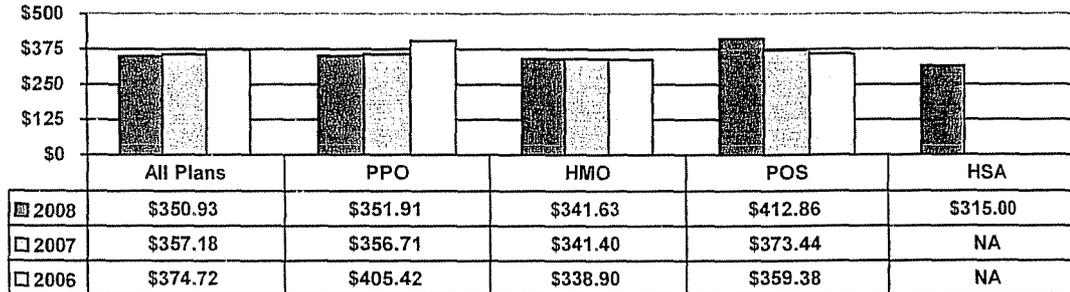
When examining plan funding by the type of plan, the majority of HMO, POS and HDHP w/HSA plans are fully-insured, and the majority of PPO and Indemnity plans are partially self-funded. (Note: POS = Point-of-Service, HDHP/HSA = High Deductible Health Plan with Health Savings Account)



### Fully-Insured Plan Costs

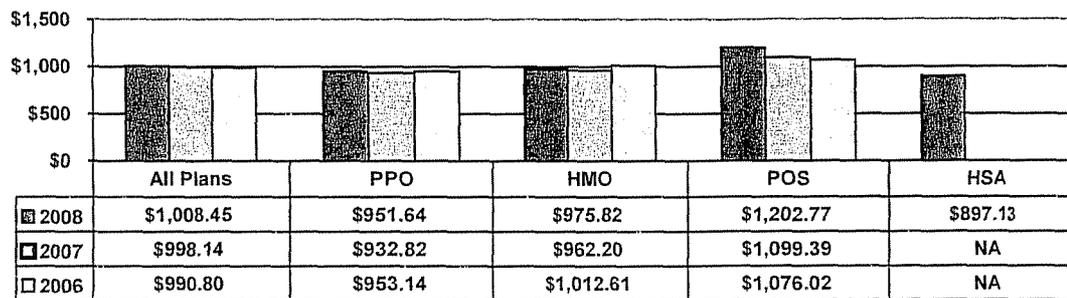
#### Per Employee Per Month Premium for a Fully-Insured Plan, Employee-Only Coverage

The per employee per month premium for employee-only coverage in a fully-insured plan appears to have leveled off or slightly decreased for all plan types but POS plans. POS plans increased 4% from 2006 to 2007 and 11% from 2007 to 2008. (Note: This is the total combined premium paid by both the employer and the employee.)



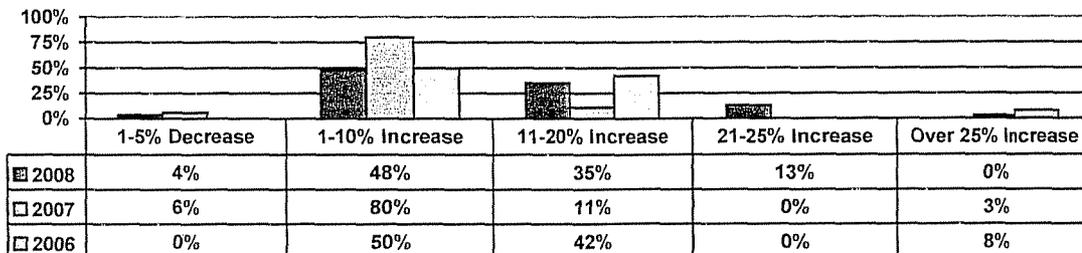
#### Per Employee Per Month Premium for a Fully-Insured Plan, Family Coverage

Per employee per month premiums for family coverage in a fully-insured plan have increased for all plan types. (Note: This is the total combined premium paid by both the employer and the employee.)



#### Average Change in Premium From Prior Plan Period

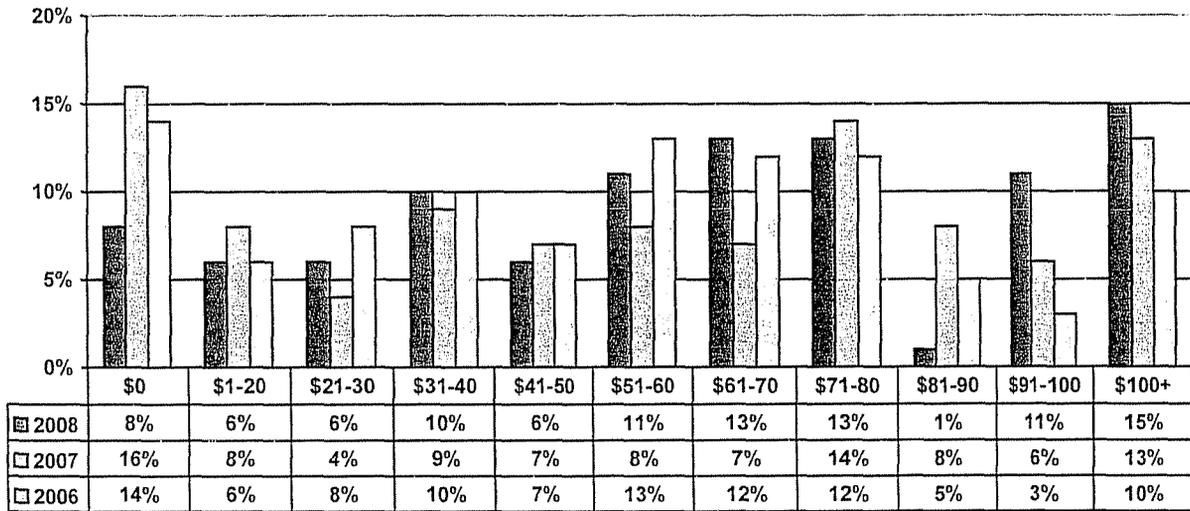
4% of survey participants reported experiencing a decrease in premium, 45% reported an increase of 1-10% and 55% reported an increase of 11% or more. This is a substantial difference from 2007 when 80% of participants reported an increase of 1-10% and the remaining 20% reported an increase of 11% or more.



### Employee Monthly Cost Contributions

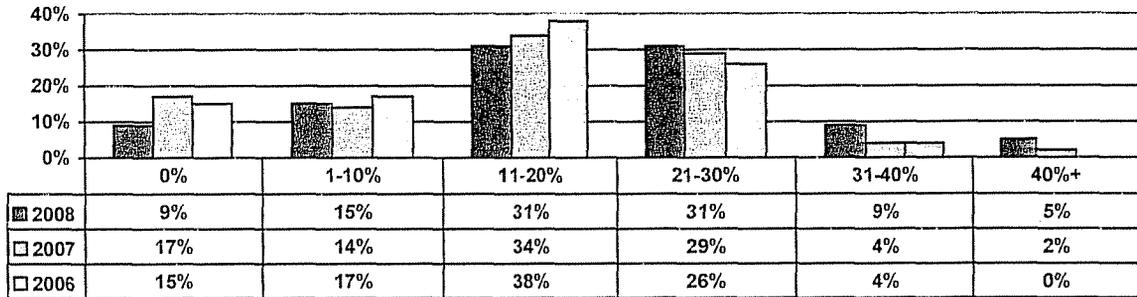
#### Employee Contribution (\$) for Employee-Only Coverage

The average monthly employee contribution for employee-only coverage is \$65.31, up 3% from \$63.21 in 2007. 15% of all plans reported a monthly employee contribution of greater than \$100.



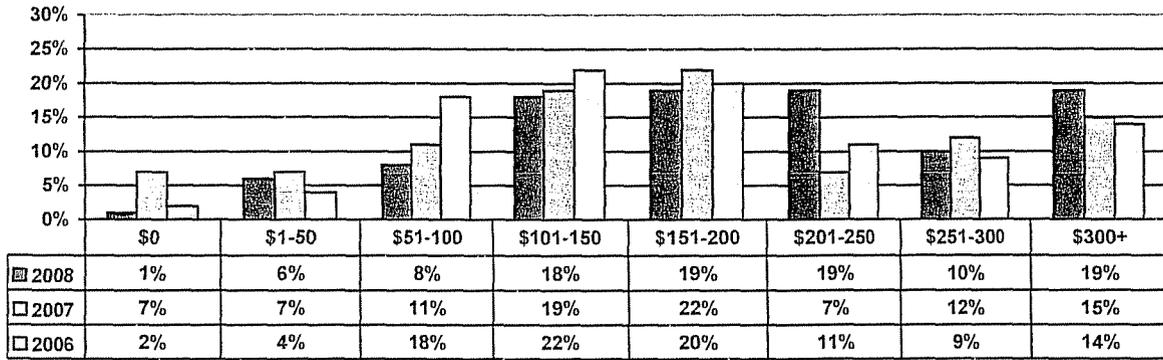
#### Employee Contribution (%) for Employee-Only Coverage

The average monthly employee contribution, as a percentage of the total cost for employee-only coverage is 20.3%, up from 17.2% in 2007. The most common contribution reported, as a percentage of the total cost for employee-only coverage is 20% (13% of all plans).



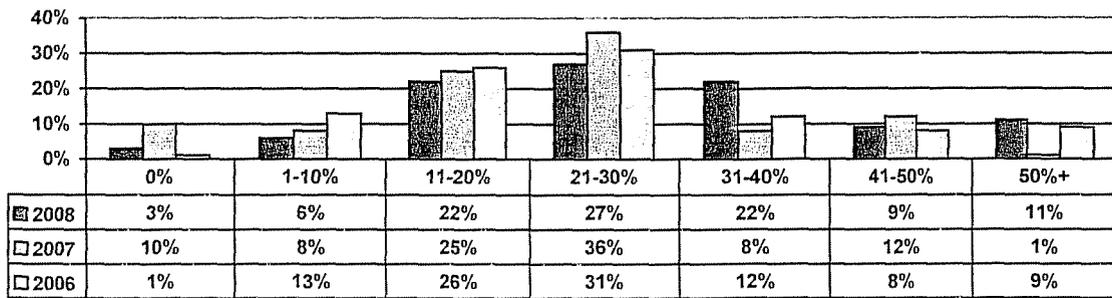
Employee Contribution (\$) for Employee + Spouse Coverage

The average monthly contribution for employee + spouse coverage is \$205.07, down from \$222.22 in 2007.



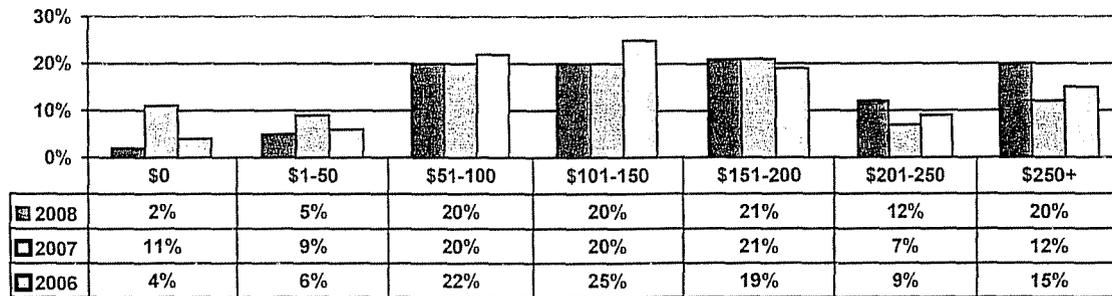
Employee Contribution (%) for Employee + Spouse Coverage

The average monthly employee contribution, as a percentage of the total cost for employee + spouse coverage is 30.4%, up from 27.8% in 2007. The most common contribution reported, as a percentage of the total cost for employee + spouse coverage is 20% (14% of all plans).



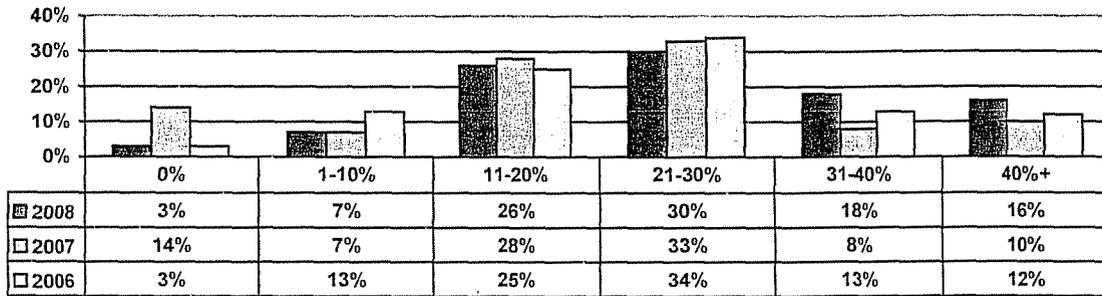
Employee Contribution (\$) for Employee + Child Coverage

The average monthly contribution for employee + child coverage is \$166.82, down from \$171.58 in 2007.



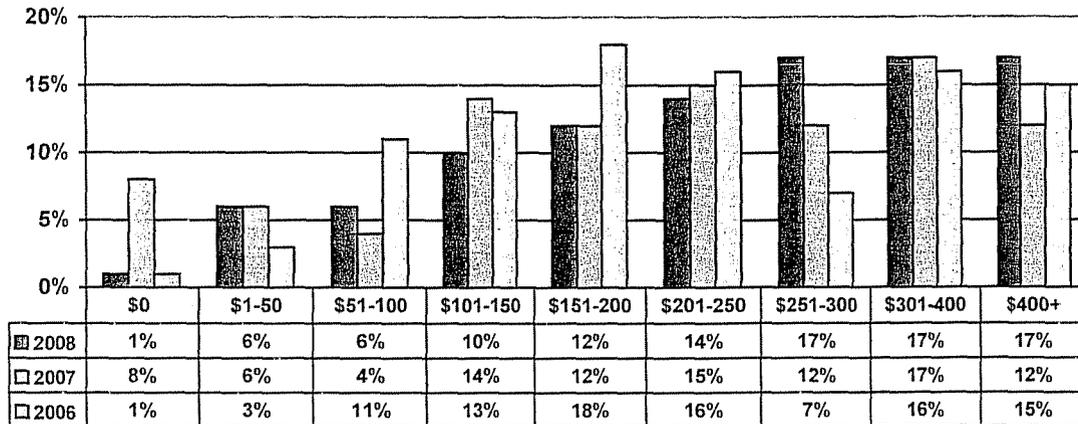
Employee Contribution (%) for Employee + Child Coverage

The average monthly employee contribution, as a percentage of the total cost for employee + child coverage is 28.8%, up from 25.2% in 2007. The most common contribution reported, as a percentage of the total cost for employee + child coverage is 20% (16% of all plans).



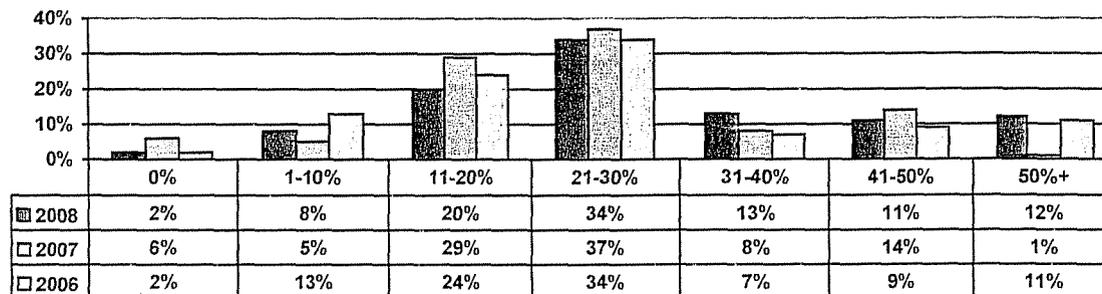
Employee Contribution (\$) for Family Coverage

The average monthly contribution for family coverage is \$273.12 down from \$290.51 in 2007.



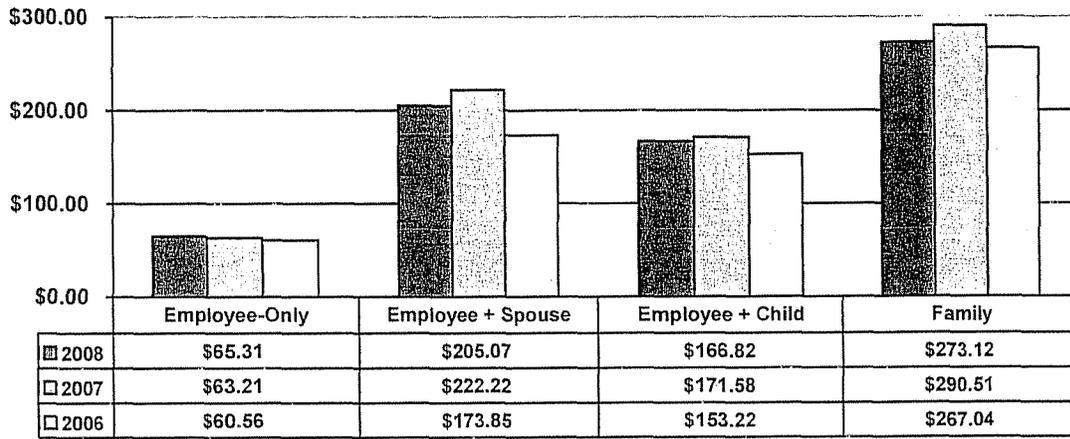
Employee Contribution (%) for Family Coverage

The average monthly employee contribution, as a percentage of the total cost for family coverage is 30.7%, up from 28.5% in 2007. The most common contribution reported, as a percentage of the total cost for family coverage is 20% (14% of all plans).

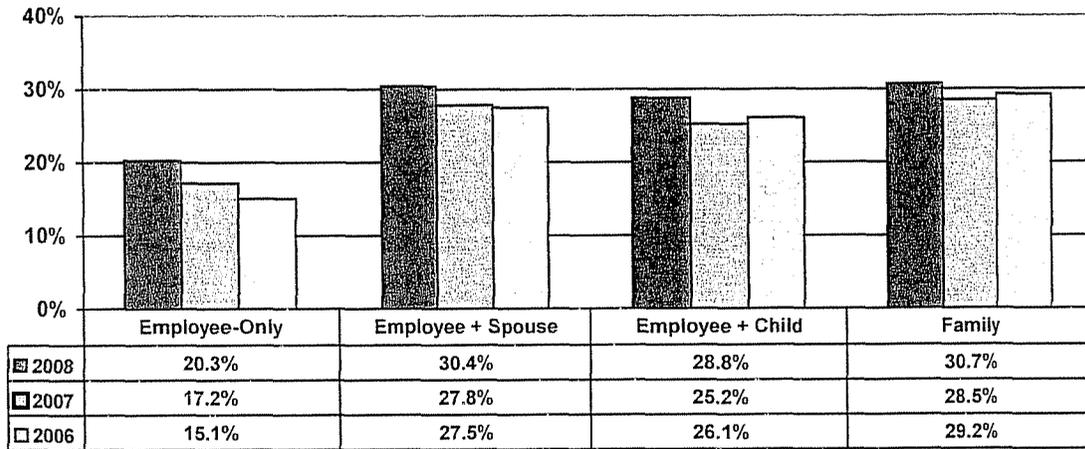


Summary Charts

Average Monthly Employee Contributions (\$) Toward Coverage



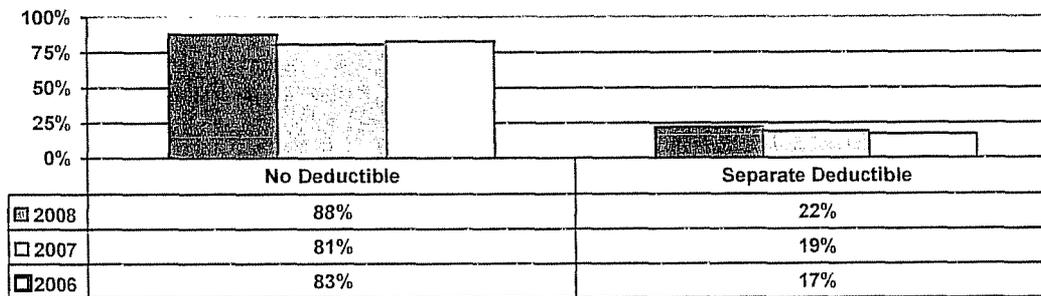
Average Monthly Employee Contribution (%) Toward Coverage  
(as a percentage of the total cost)



## Prescription Drug Cost Sharing

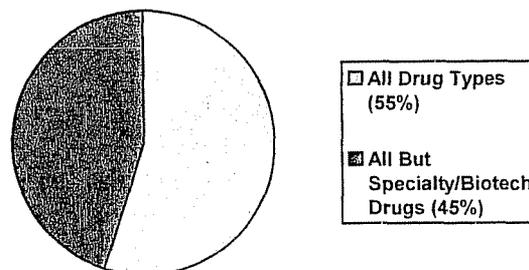
### Survey Participants With a Separate Prescription Drug Deductible

22% of survey participants report having a prescription drug deductible, up from 19% in 2007.



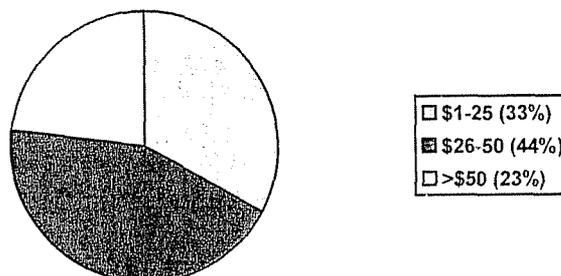
### What Prescription Drug Deductible Applies To

Of the survey participants that report having a prescription drug deductible, 55% reported the deductible applied to all drug types and 45% reported the deductible applied to all drug types except Specialty/Biotech drugs.



### Amount of Prescription Drug Deductible

Of the survey participants that report having a prescription deductible, 44% reported a deductible of \$26 to \$50.



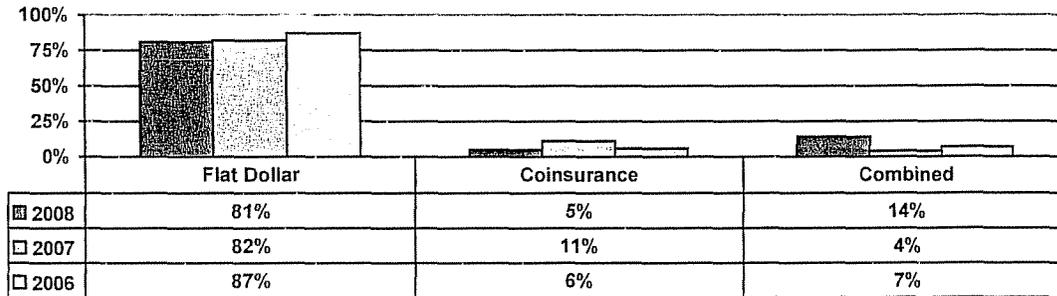
## Retail (Walk-In) Pharmacy Benefits - Generic Drugs

### Types of Employee Cost Sharing for Generic Drugs

The majority of survey participants have a flat dollar copayment for generic drugs.

Examples of a combined cost sharing include:

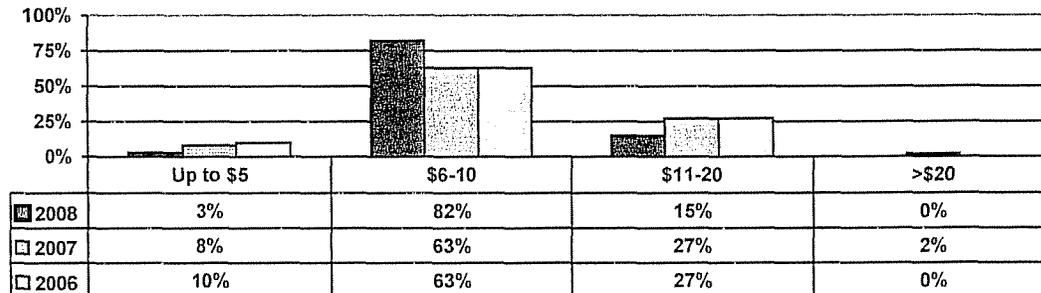
- \$20 copayment or 20% coinsurance, whichever is greater,
- 20% coinsurance with a minimum copayment of \$10 and a maximum copayment of \$50,
- 20% coinsurance with a maximum copayment of \$50,
- The lesser of 20% coinsurance or \$20 copayment



### Copayments for Generic Drugs

The majority of survey participants reported a \$6-10 copayment for retail prescriptions for generic drugs.

The most common copayment for generic drugs reported by survey participants is \$10 (76% of all plans). In 2007, 58% of survey participants reported a \$10 copayment for generic drugs.



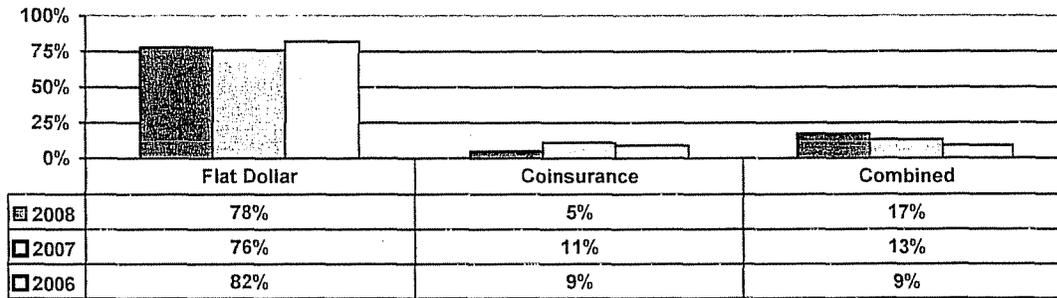
### Coinsurance for Generic Drugs

Among the small number of plans that have coinsurance for retail prescriptions for generic drugs, the most commonly used coinsurance level is 10% (63% of all plans).

### Retail (Walk-In) Pharmacy Coverage - Formulary/Preferred Brand Drugs

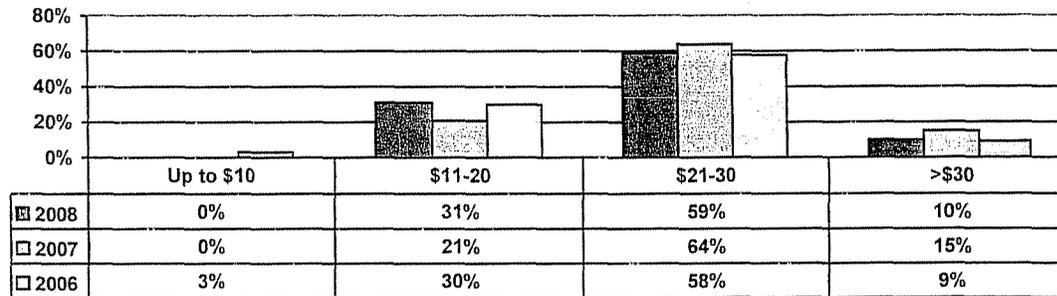
#### Types of Employee Cost Sharing for Formulary/Preferred Brand Drugs

The majority of survey participants have a flat dollar copayment for formulary/preferred brand drugs.



#### Copayments for Formulary/Preferred Brand Drugs

The most common copayment for formulary/preferred brand drugs reported by survey participants is \$30 (34% of all plans). In 2006 the most common copayments for formulary/preferred brand drugs were \$25 (14% of all plans) and \$30 (14% of all plans).



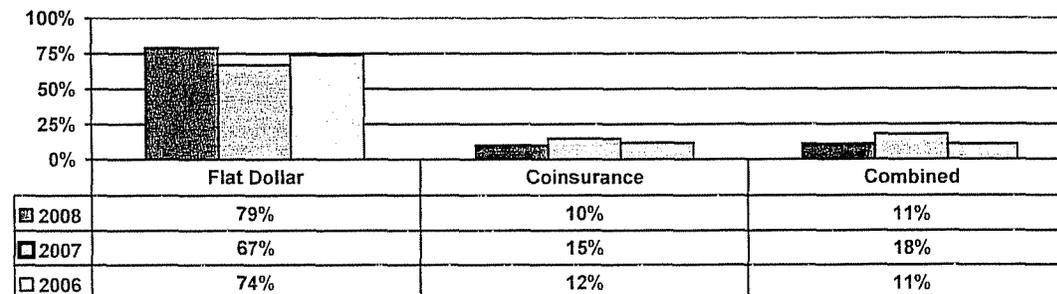
#### Coinsurance for Formulary/Preferred Brand Drugs

Among the small number of plans that have coinsurance for retail prescriptions for formulary/preferred brand drugs, the most commonly used coinsurance level is 20% (70% of all plans).

### Retail (Walk-In) Pharmacy Coverage - Non-Formulary/Non-Preferred Brand Drugs

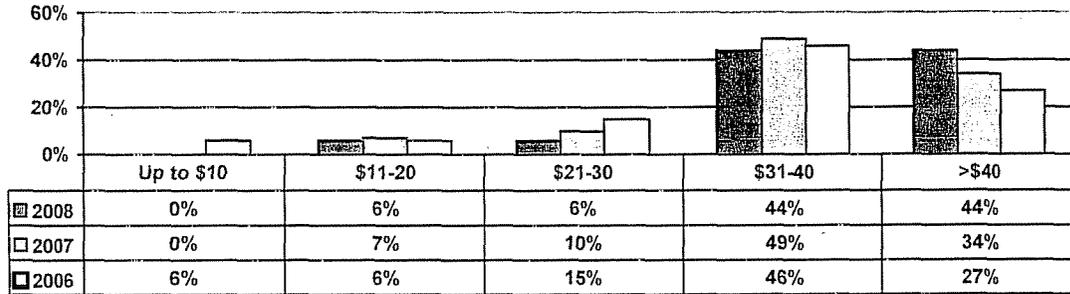
#### Types of Employee Cost Sharing for Non-Formulary/Non-Preferred Brand Drugs

The majority of survey participants have a flat dollar copayment for non-formulary/non-preferred brand drugs.



Copayments for Non-Formulary/Non-Preferred Brand Drugs

The most common copayment for non-formulary/non-preferred brand drugs reported by survey participants is \$60 (25% of all plans).



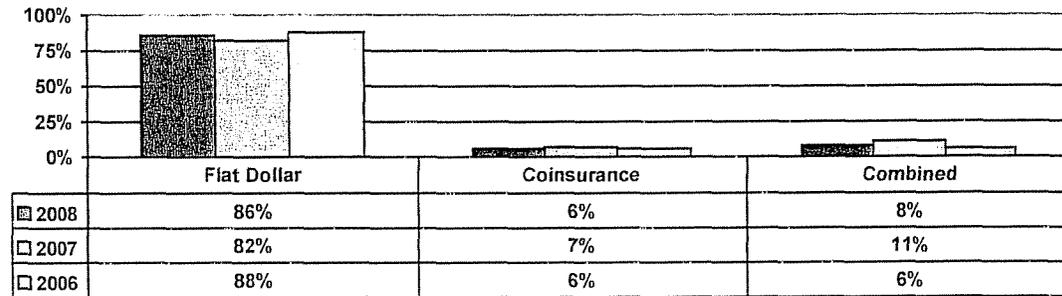
Coinsurance for Non-Formulary/Non-Preferred Brand Drugs

Among the small number of plans that have coinsurance for retail prescriptions for non-formulary/non-preferred brand drugs, the most commonly used coinsurance level is 40% (44% of all plans).

Mail Order Pharmacy Benefits (typically a 90-day supply) - Generic Drugs

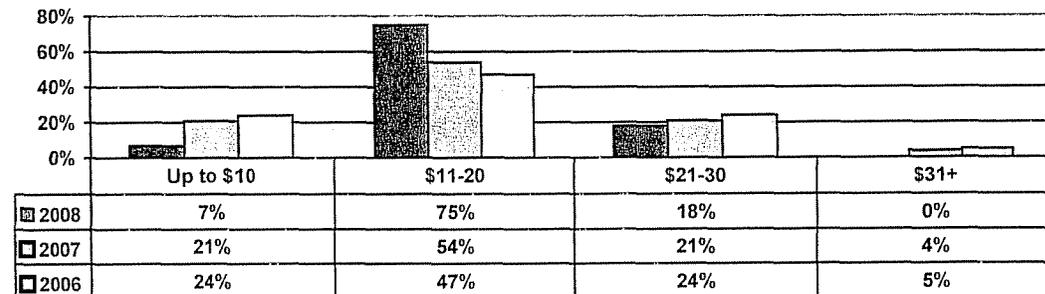
Types of Employee Cost Sharing for Generic Drugs

The majority of survey participants have a flat dollar copayment for generic drugs.



Copayments for Generic Drugs

The most common copayment for generic drugs reported by survey participants is \$20 (63% of all plans, up from 45% in 2007).



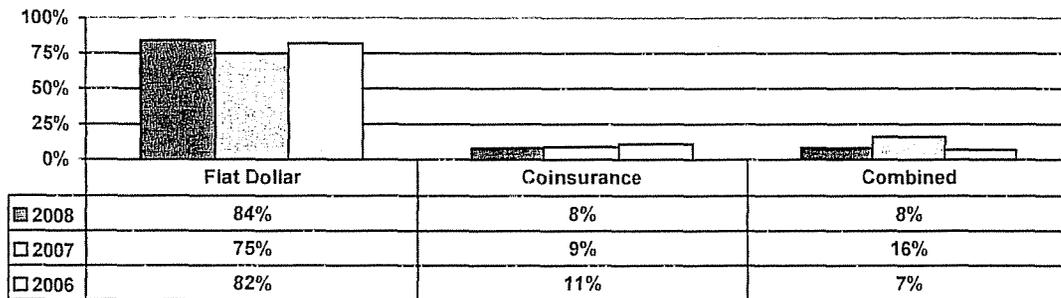
Coinsurance for Generic Drugs

Among the small number of plans that have coinsurance for retail prescriptions for generic drugs, the most commonly used coinsurance level is 10% (60% of all plans).

Mail Order Pharmacy Benefits (typically 90-day supply) - Formulary/Preferred Brand Drugs

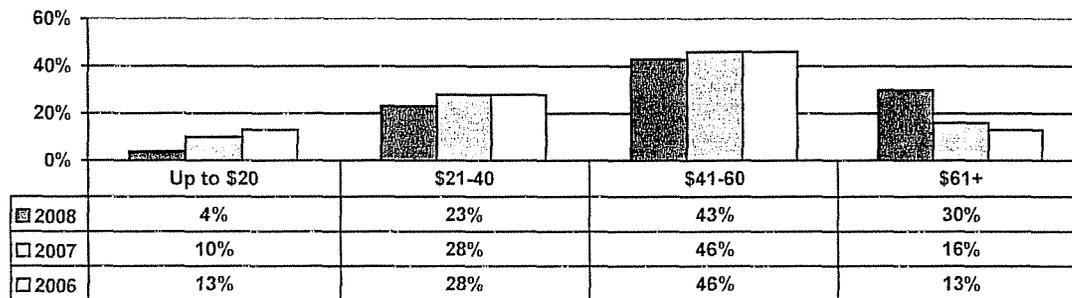
Types of Employee Cost Sharing for Formulary/Preferred Brand Drugs

The majority of survey participants have a flat dollar copayment for formulary/preferred brand drugs.



Copayments for Formulary/Preferred Brand Drugs

The most common copayment for formulary/preferred brand drugs reported by survey participants is \$60 (23% of all plans, up from 31% of all plans in 2007).



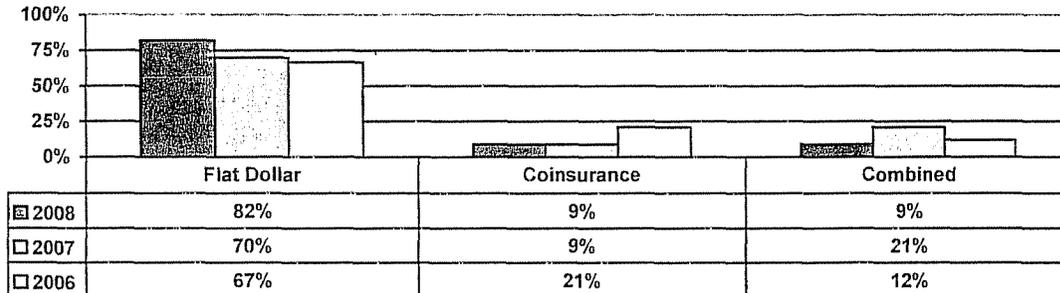
Coinsurance for Formulary/Preferred Brand Drugs

Among the small number of plans that have coinsurance for retail prescriptions for formulary/preferred brand drugs, the most commonly used coinsurance level is 20% (67% of all plans).

### Mail Order Pharmacy Benefits - Non-Formulary/Non-Preferred Brand Drugs

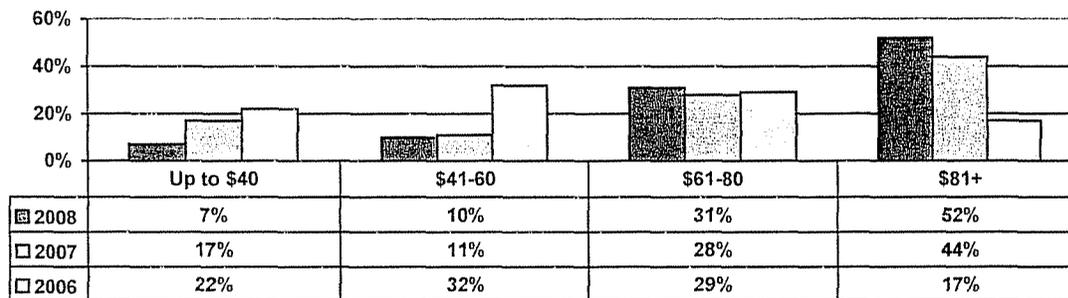
#### Types of Employee Cost Sharing for Non-Formulary/Non-Preferred Brand Drugs

The majority of survey participants have a flat dollar copayment for non-formulary/non-preferred brand drugs.



#### Copayments for Non-Formulary/Non-Preferred Brand Drugs

The most common copayment for non-formulary/non-preferred brand drugs reported by survey participants is \$80 (21% of all plans).

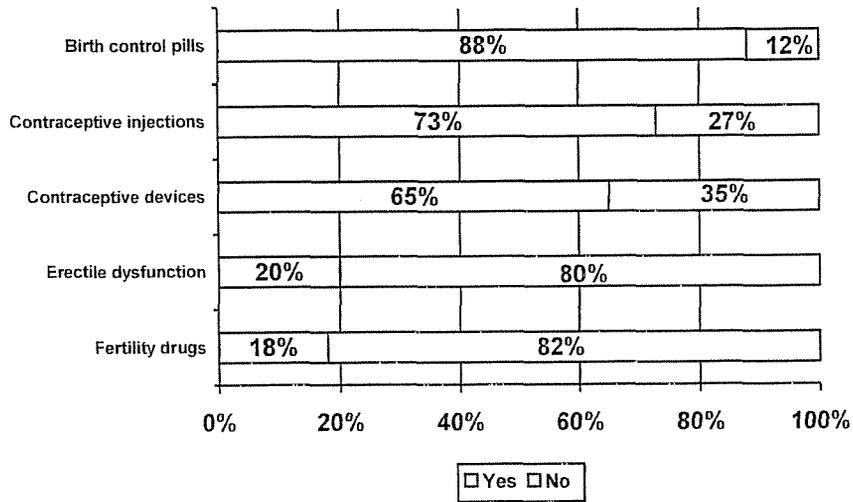


#### Coinsurance for Non-Formulary/Non-Preferred Brand Drugs

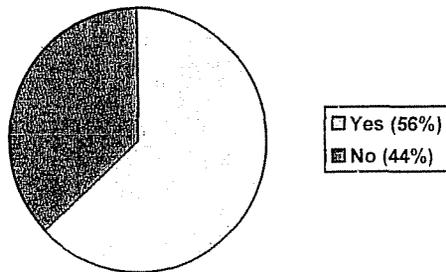
Among the small number of plans that have coinsurance for retail prescriptions for non-formulary/non-preferred brand drugs, the most commonly used coinsurance level is 40% (42% of all plans).

Prescription Plan Management Strategies

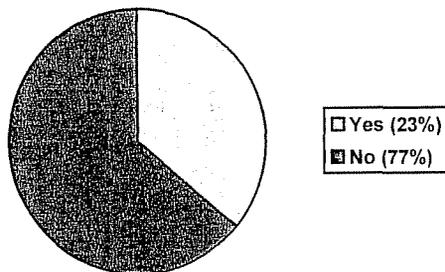
Which of the following prescription drugs do you cover in your plan?



Does your prescription drug plan cover Specialty/Biotech Drugs?



If you cover Specialty/Biotech Drugs, do you have a separate cost sharing tier for them?

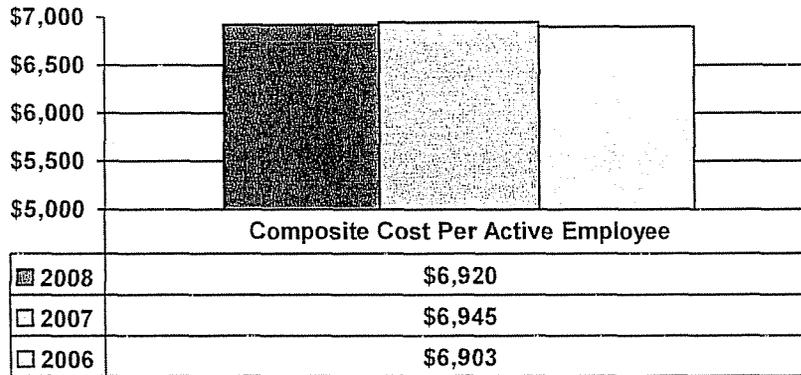


## Composite Cost Per Active Employee

### Composite Cost Trend

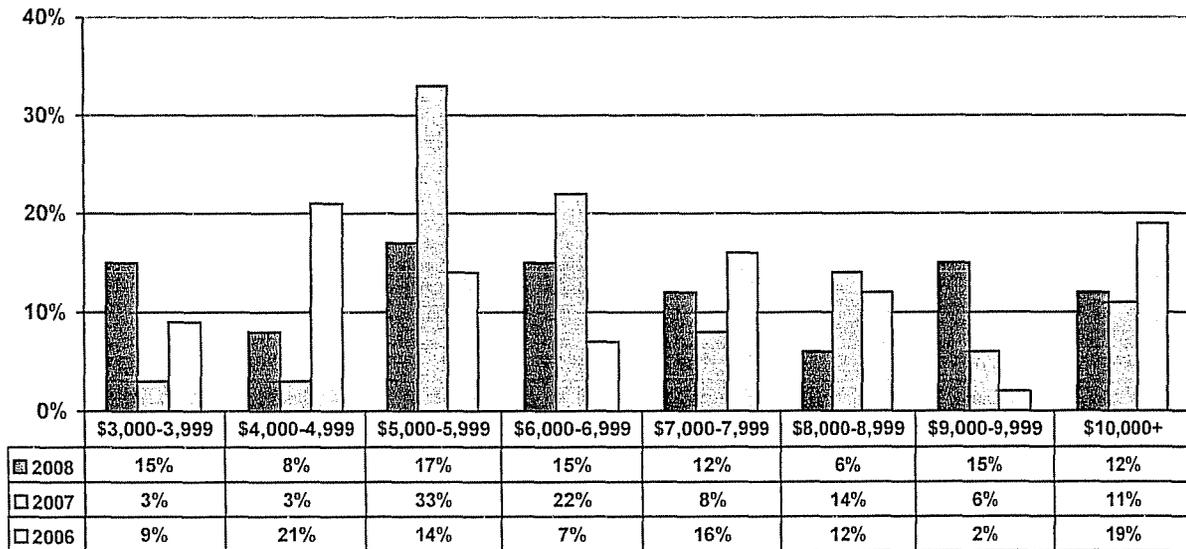
The average composite cost per active employee reported for the current plan year is \$6,920, virtually unchanged from \$6,945 in 2007.

*Composite cost for fully-insured plans includes all premiums paid by both employees and the company/employer for the entire year. Composite cost for self-funded companies includes medical claims, administrative fees, stop-loss insurance premiums, and prescription drug claims.*



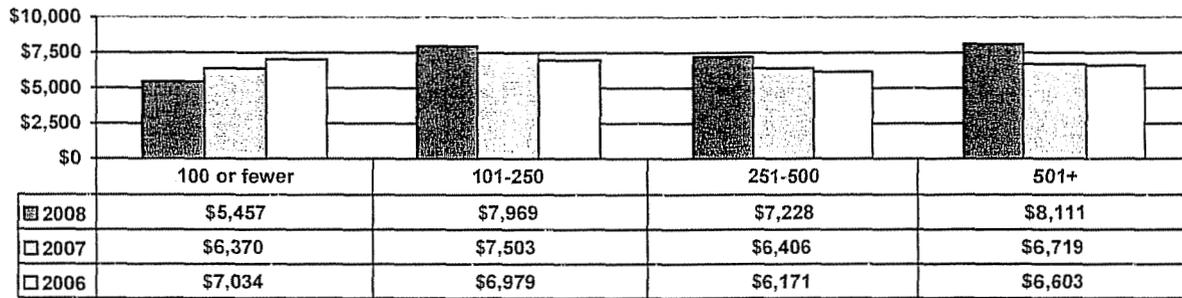
### Composite Cost Distribution Per Active Employee

60% of survey participants reported a composite cost of at least \$6,000 per active employee. This is virtually unchanged 61% in 2007.



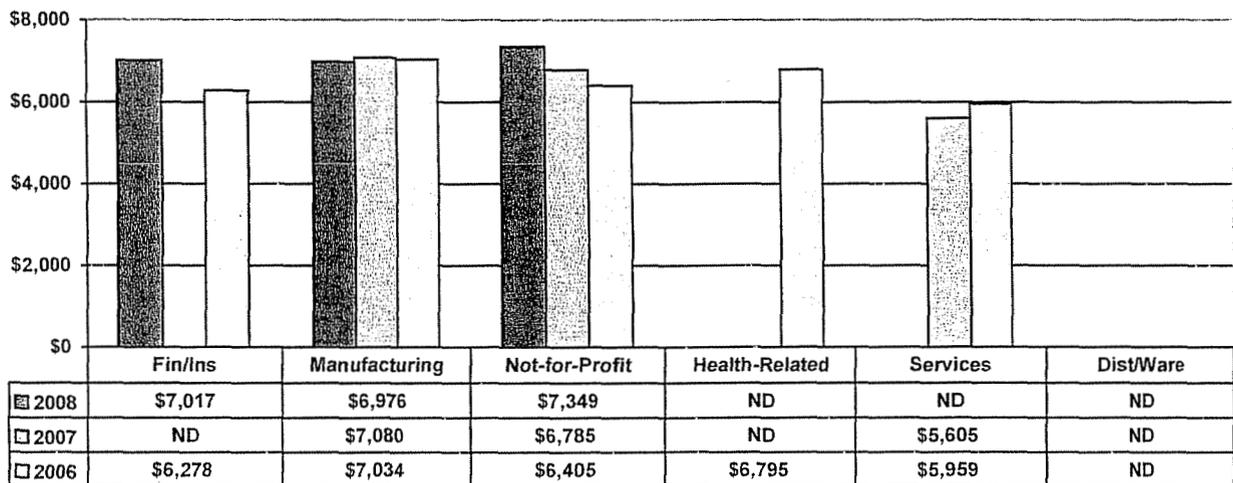
Composite Cost Per Active Employee by Company Size (# of Employees)

Composite cost per active employee increased for all survey participants with more than 100 employees.



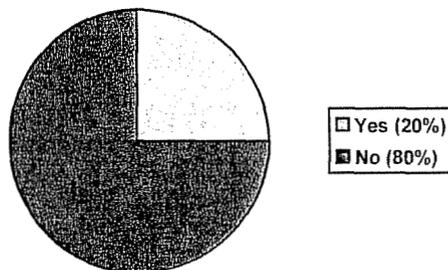
Composite Cost Per Active Employee by Industry Classification

(Note: Results are not reported for industry classes where too few responses were received. ND = Not enough data to report.)

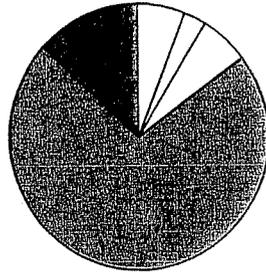


Plan Management Strategies

Has your organization already implemented a High Deductible Health Plan (HDHP) with a Health Savings Account (HSA)?

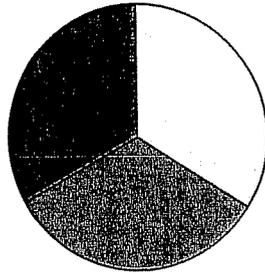


If your organization has not already implemented a High Deductible Health Plan (HDHP) with a Health Savings Account (HSA), when do you think your organization might offer one?



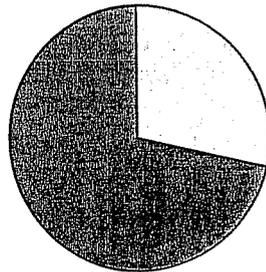
- By the end of 2008 (6%)
- 2009 (3%)
- 2010 or later (6%)
- Undecided (72%)
- Never (13%)

How did your organization implement a High Deductible Health Plan (HDHP) with a Health Savings Account?



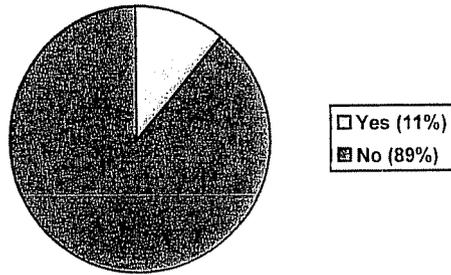
- Replaced all health plan options (34%)
- Replaced one or more plan options (33%)
- Added it as one more plan option to other plans offered (33%)

Does your plan provide coverage for bariatric (weight loss) surgery?

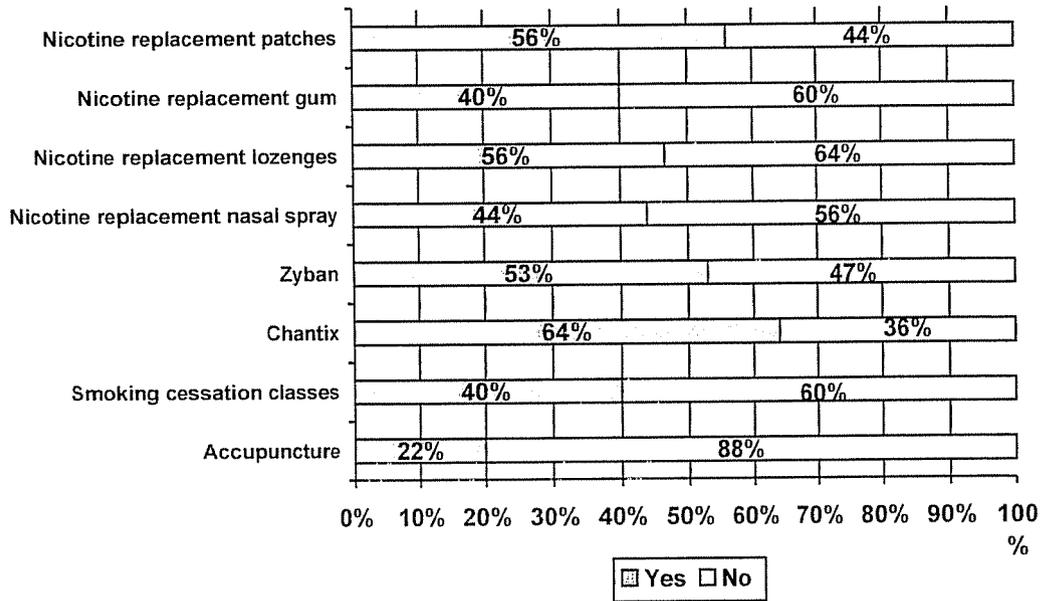


- Yes (29%)
- No (72%)

Does your plan allow coverage for same-sex domestic partners?



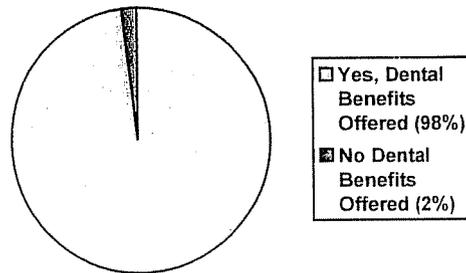
Does your organization provide coverage for the following smoking cessation aids?



**Dental Benefits**

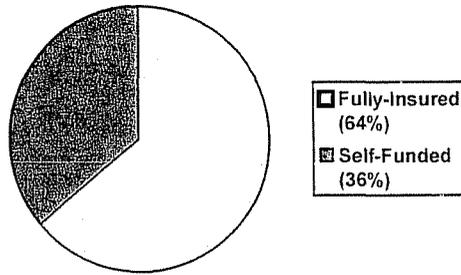
Dental Benefit Offered

Of the survey participants, the majority offer dental benefits to their employees.



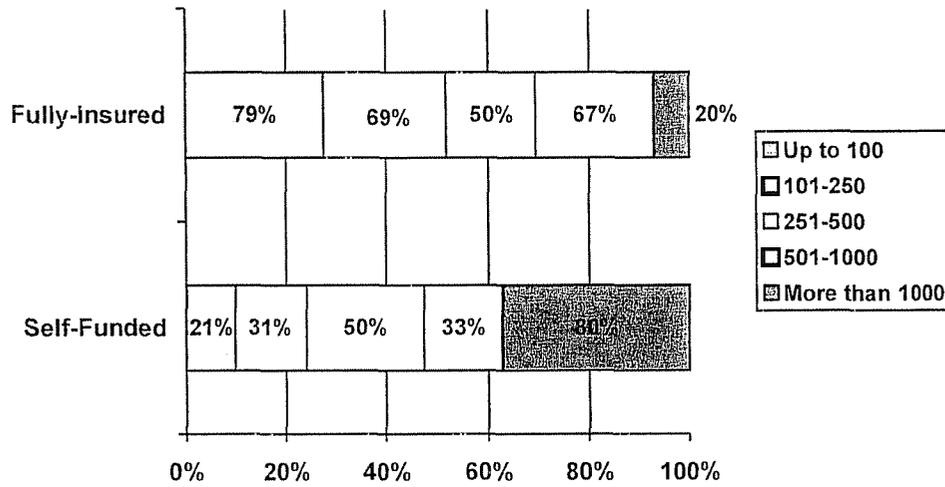
Dental Benefits Funding

The majority of plan participants have fully-insured employee dental benefits plans.



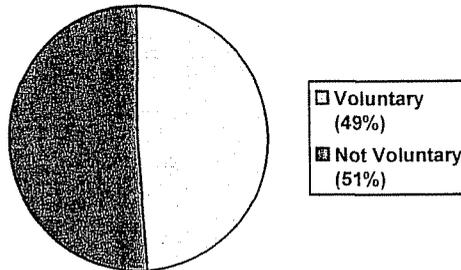
Dental Benefits Funding by Company Size

Company size appears to have some influence on the type of funding used.



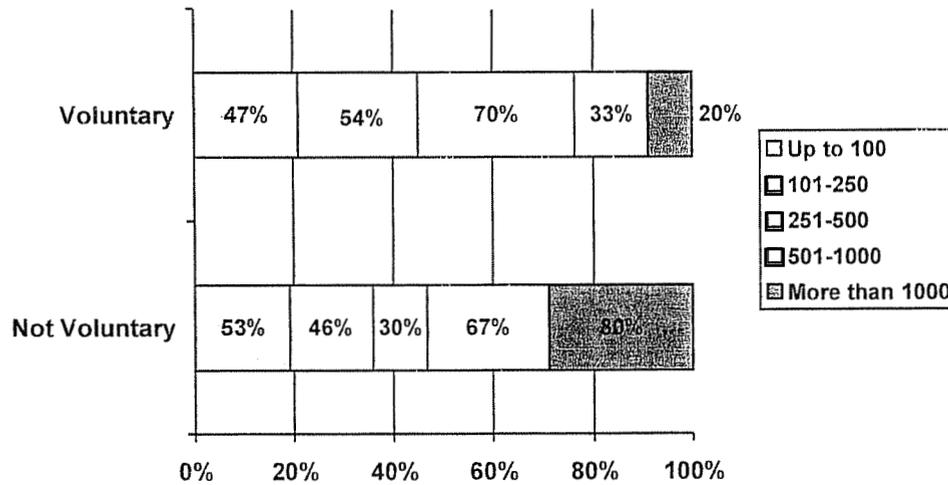
Dental Benefits Voluntary or Not Voluntary

There is nearly a 50/50 split among survey participants that have a voluntary and non-voluntary dental benefit.



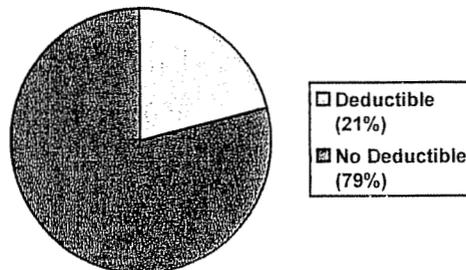
Dental Benefits Voluntary or Not Voluntary by Company Size

Companies with more than 1,000 employees are more likely to offer a dental plan that is not voluntary and companies with 500 or fewer employees are more likely to offer a dental plan that is voluntary.



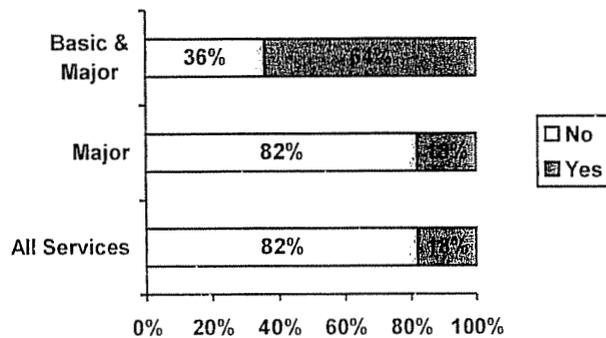
Dental Benefits Deductibles

21% of survey participants reported having a deductible in place for their dental plan.



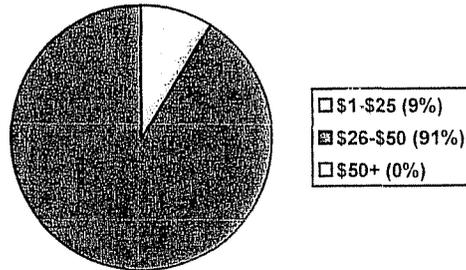
What Dental Benefits Deductibles Applies To

Of survey participants that reported having a deductible, no one reported having a deductible that applies to preventive dental services.



Amount of Dental Benefits Deductible

The majority of survey participants reported having a dental deductible of \$26-50.

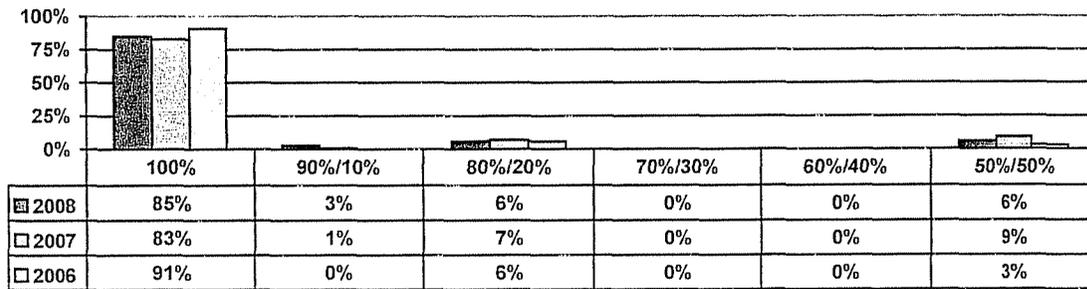


Preventive Dental Services

Preventive dental services are used to detect or prevent tooth decay or other oral diseases. These types of services are usually received during a routine dental checkup.

Preventive Dental Services Company/Insurance Company-Paid Coinsurance

Preventive dental service benefits tend to be covered in full among survey participants.

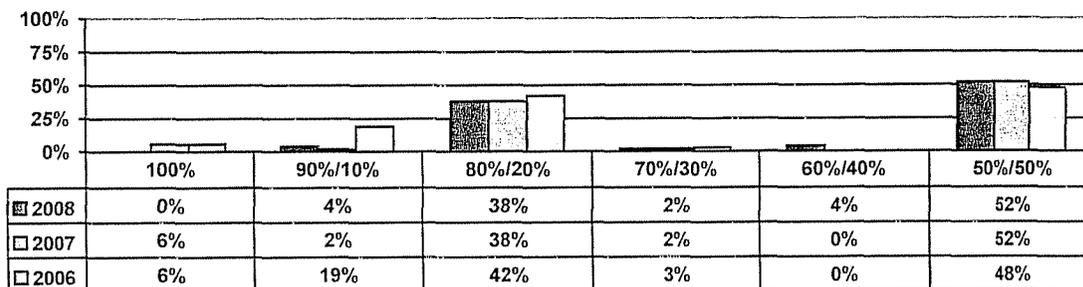


Basic Restorative Dental Services

Basic restorative dental service are those services used to restore or remove diseased or damaged teeth, treat oral diseases, and repair dentures, bridges, crowns, inlays and outlays.

Basic Restorative Dental Services Company/Insurance Company-Paid Coinsurance

Basic restorative dental services are most commonly covered at 50%.

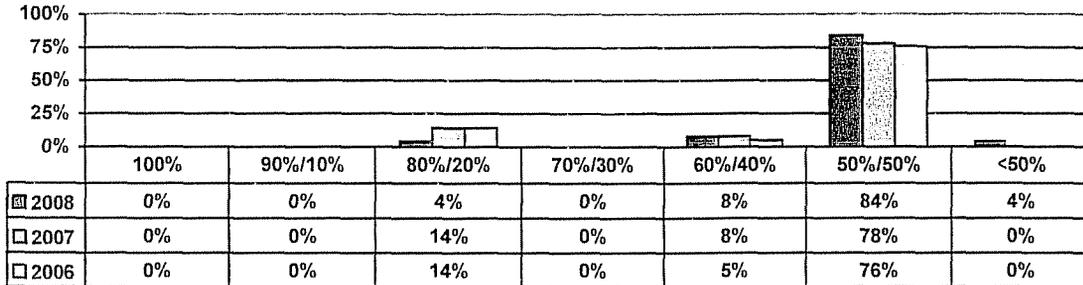


**Major Restorative Dental Services**

Major restorative dental services are services used to install dentures, bridges, crowns, inlays and outlays, to replace missing teeth, or to restore severely damaged or diseased teeth.

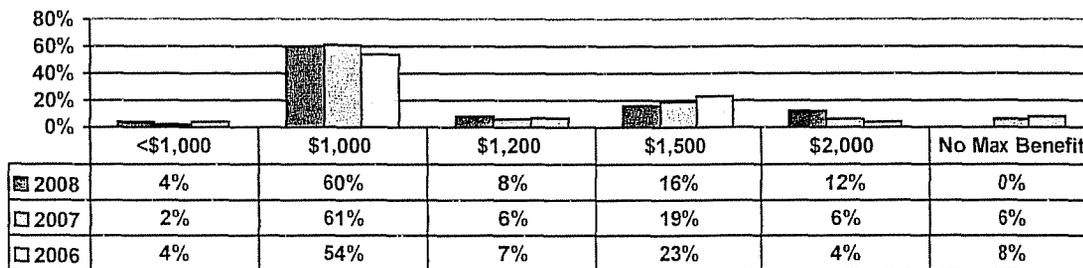
**Major Restorative Dental Services Company-Paid Coinsurance**

Major restorative dental service benefits are most commonly covered at 50%.



**Annual Maximum Dental Benefit (excluding Orthodontia Services)**

The average annual maximum dental benefit for all non-orthodontia services is \$1000.

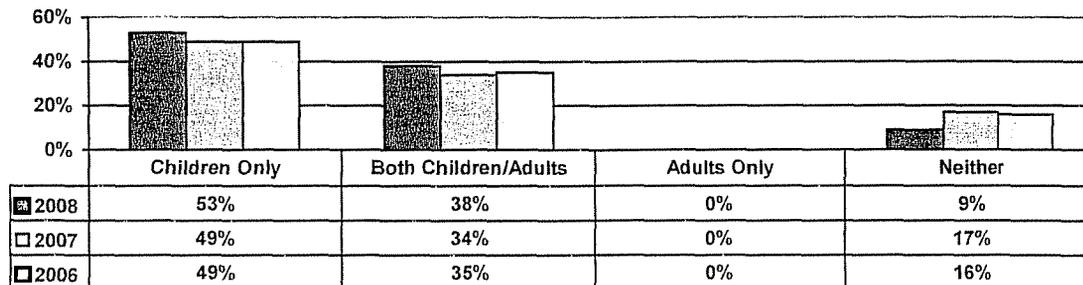


**Orthodontia Coverage**

Among survey participants that offer dental benefits, 91% also offer coverage for orthodontia services.

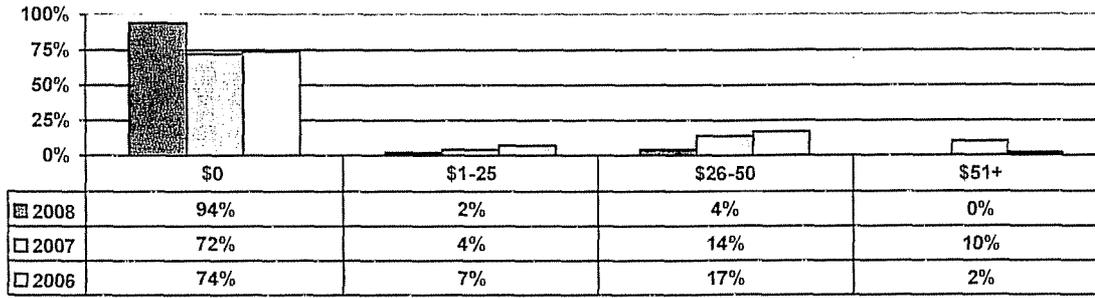
**Type of Orthodontia Coverage**

Among survey participants that offer orthodontia coverage, orthodontia coverage is most commonly available to children.



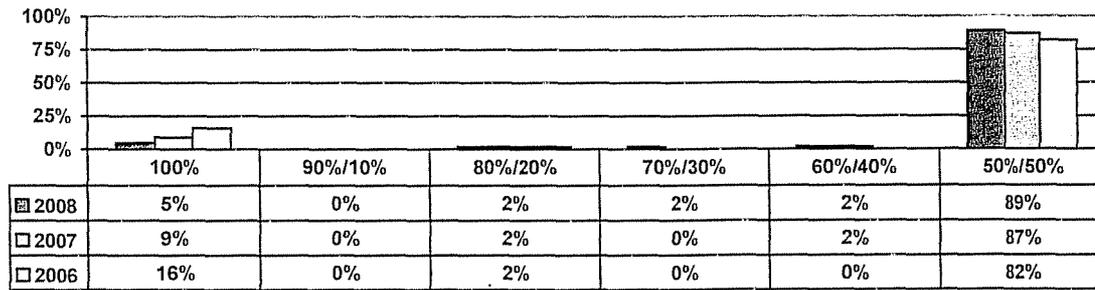
Orthodontia Services Deductible

The majority of survey participants do not have a separate deductible for orthodontia services.



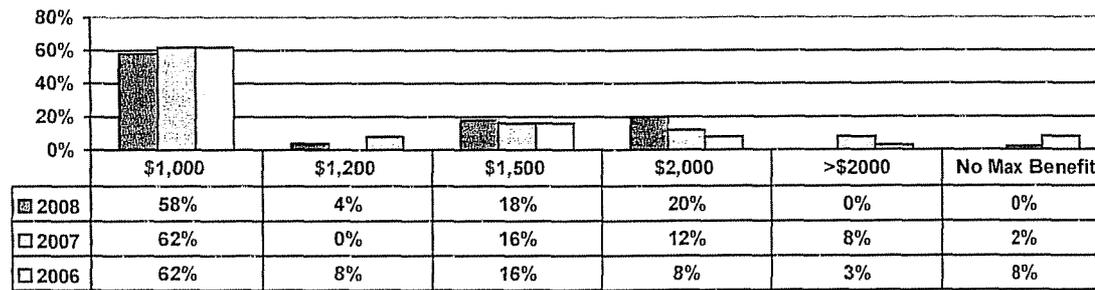
Orthodontia Services Company-Paid Coinsurance

Orthodontia service benefits are most commonly covered at 50%.



Lifetime Maximum Orthodontia Dental Benefit

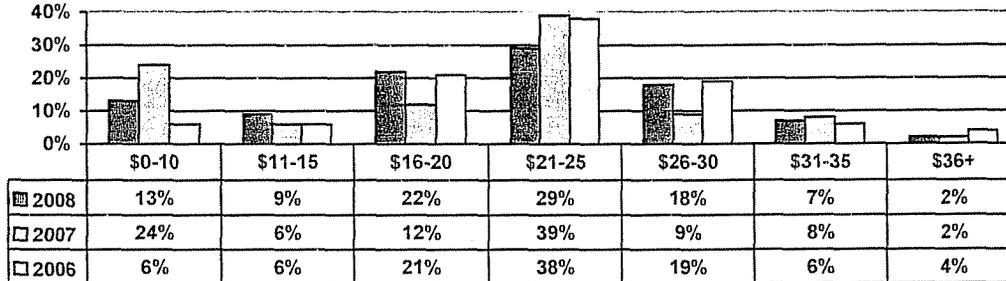
The average lifetime maximum benefit for orthodontia services is \$1000.



## Dental Benefit Costs

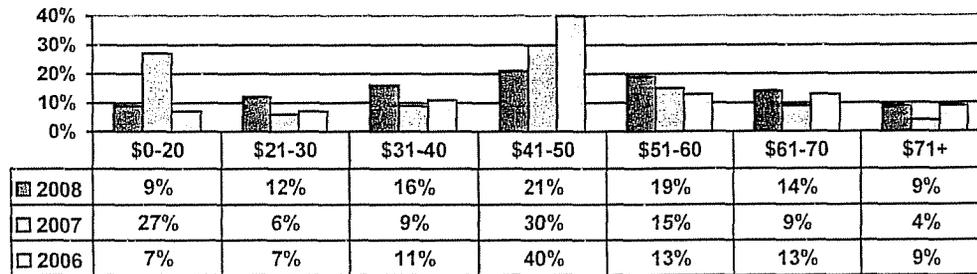
### Total Monthly Cost/Premium - Employee-Only Coverage

56% of survey participants have a total monthly dental plan cost for employee-only coverage that is at least \$21. The **average** total monthly dental plan cost for employee-only coverage is **\$20.61**, up from \$18.70 in 2007.



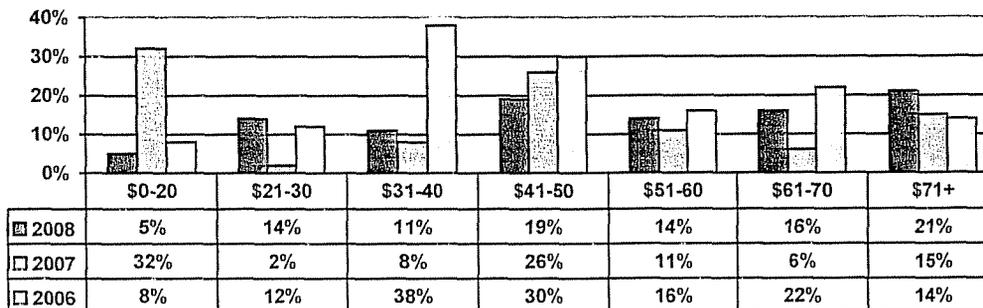
### Total Monthly Cost/Premium - Employee+Spouse Coverage

63% of survey participants have a total monthly dental plan cost for employee+spouse coverage that is at least \$41. The **average** total monthly dental plan cost for employee+spouse coverage is **\$43.45**, up from \$37.55 in 2007.



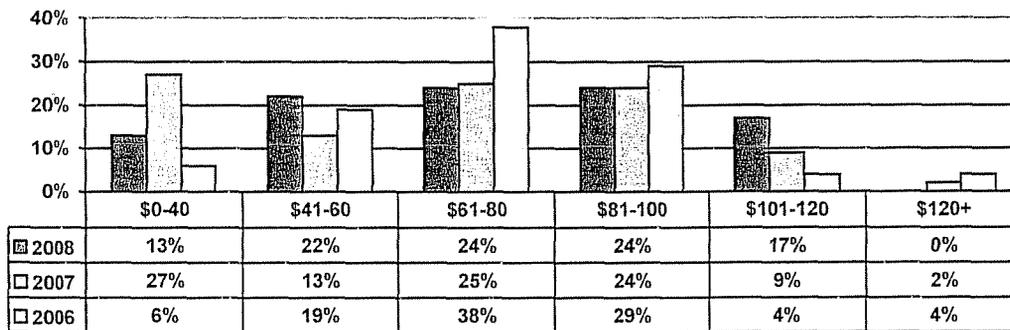
### Total Monthly Cost/Premium - Employee+Child Coverage

70% of survey participants have a total monthly dental plan cost for employee+child coverage that is at least \$41. The **average** total monthly dental plan cost for employee+child coverage is **\$55.12**, up from \$39.69 in 2007.



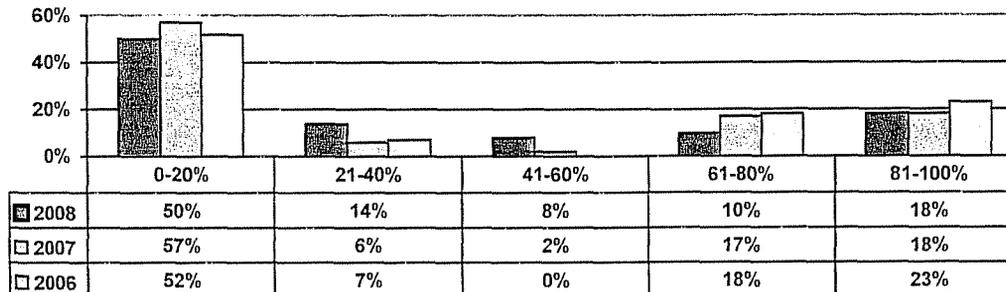
Total Monthly Cost/Premium - Family Coverage

65% of survey participants have a total monthly dental plan cost for family coverage that is at least \$61. The average total monthly dental plan cost for family coverage is \$70.03, up from \$61.80 in 2007.



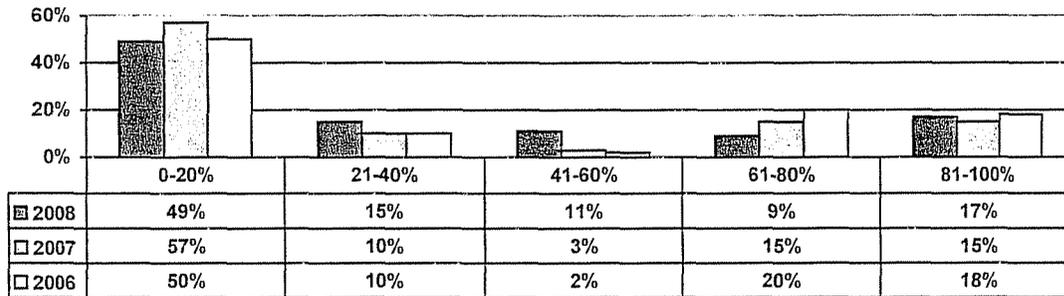
Percent of Total Monthly Cost/Premium Paid by the Company - Employee-Only Coverage

50% of survey participants report that the company contributes 20% or less towards the total monthly cost of employee-only coverage. 46% of survey participants report that their employees pay 100% of the total monthly cost of employee-only coverage (company pays nothing) and 16% of survey participants report that their employees pay nothing toward the total monthly cost of employee-only coverage (company pays 100% of cost).



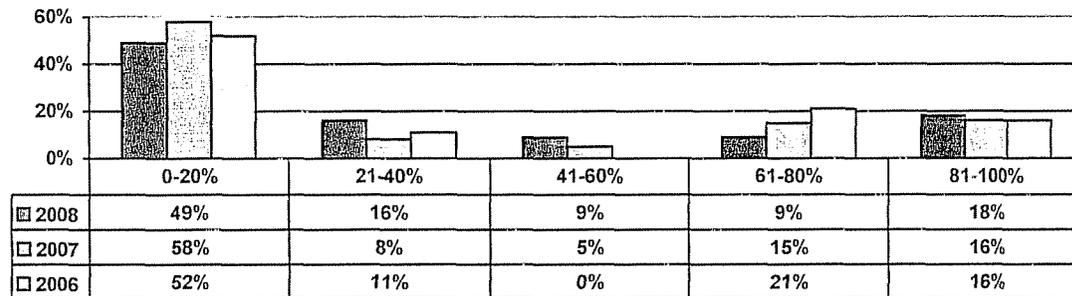
Percent of Total Monthly Cost/Premium Paid by the Company - Employee+Spouse Coverage

49% of survey participants report that the company contributes 20% or less towards the total monthly cost of employee-only coverage. 45% of survey participants report that their employees pay 100% of the total monthly cost of employee-only coverage (company pays nothing) and 11% of survey participants report that their employees pay nothing toward the total monthly cost of employee-only coverage (company pays 100% of cost).



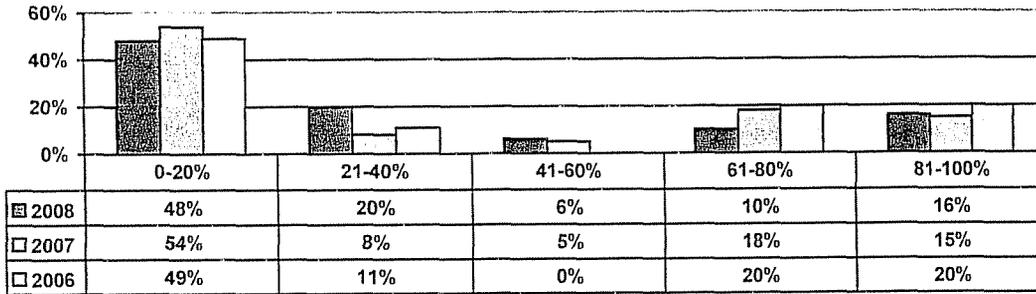
Percent of Total Monthly Cost/Premium Paid by the Company - Employee+Child Coverage

49% of survey participants report that the company contributes 20% or less towards the total monthly cost of employee-only coverage. 47% of survey participants report that their employees pay 100% of the total monthly cost of employee-only coverage (company pays nothing) and 11% of survey participants report that their employees pay nothing toward the total monthly cost of employee-only coverage (company pays 100% of cost).



Percent of Total Monthly Cost/Premium Paid by the Company - Family Coverage

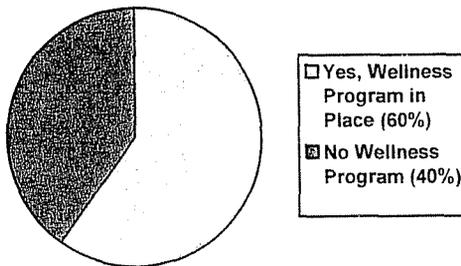
48% of survey participants report that the company contributes 20% or less towards the total monthly cost of employee-only coverage. 44% of survey participants report that their employees pay 100% of the total monthly cost of employee-only coverage (company pays nothing) and 10% of survey participants report that their employees pay nothing toward the total monthly cost of employee-only coverage (company pays 100% of cost).



Employee Wellness Programs

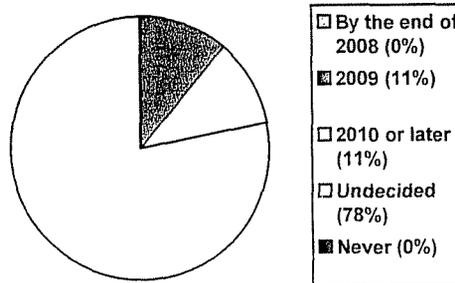
Presence of a Formal Wellness Program

60% of all survey participants report having a formal wellness program in place, up from 48% in 2007.



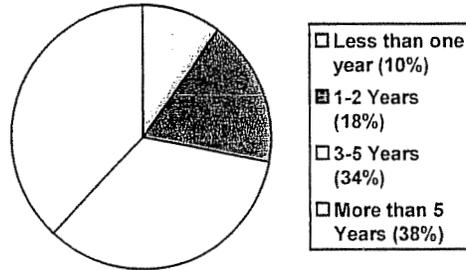
Future Wellness Program Plans

Of survey participants that do not currently have a formal wellness program in place, 11% predict having one by the end of 2009 and another 11% predict having one in 2010 or later.



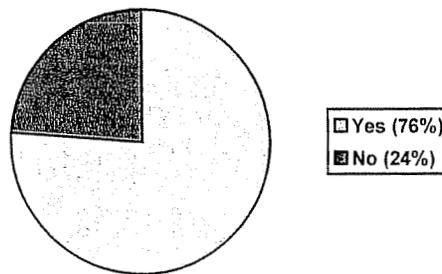
### Length of Wellness Program

Of survey participants with formal wellness program in place, over 72% have had their program in place for at least three years.



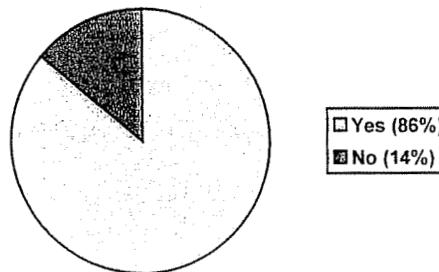
### Written Health Risk Appraisals (HRA)

76% of survey participants with a formal wellness program in place include a written health risk appraisal.



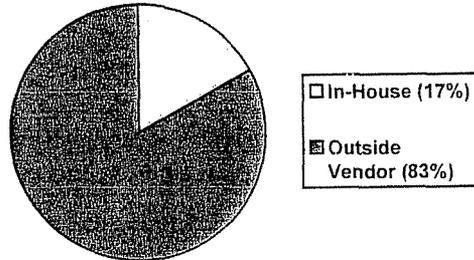
### Biometric Testing of Health Risk Factors

Of the survey participants with a formal wellness program, 86% include biometric testing of health risk factors (a finger stick or a blood draw for cholesterol levels, height/weight or Body Mass Index, etc.).



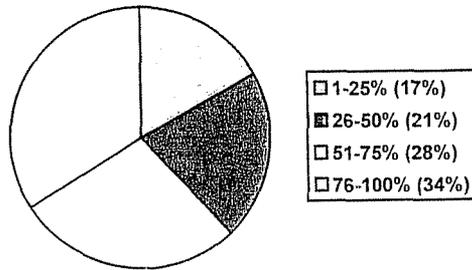
In-House vs. Outside Vendor

83% of survey participants with a formal wellness program hire assistance from an outside vendor to manage their program.



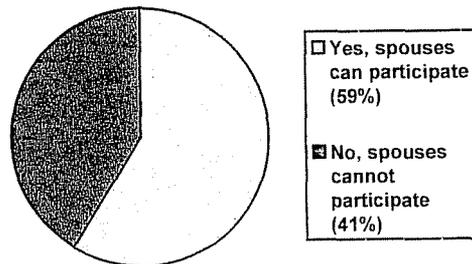
Employee Participation

Employee participation is variable among survey participants with a formal wellness program in place with 38% of survey participants reporting participation of up to 50% of all employees and 62% of survey participants reporting participation of over 50%.



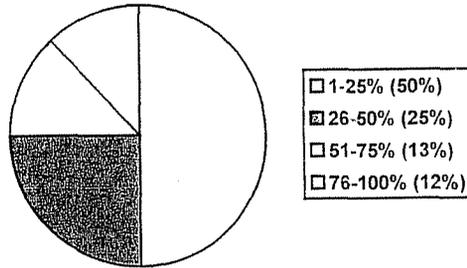
Spouse Eligibility

59% of survey participants with formal wellness programs allow eligible spouses to participate in the program.



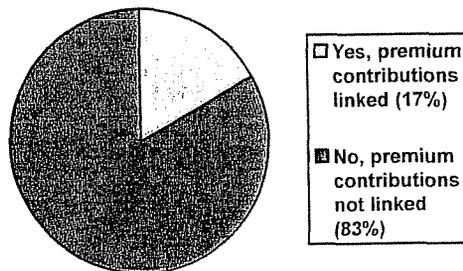
### Spouse Participation

Of survey participants that allow eligible spouses to participate in the program, 50% report participation rates of 25% or less and 12% report participation rates of over 75%.



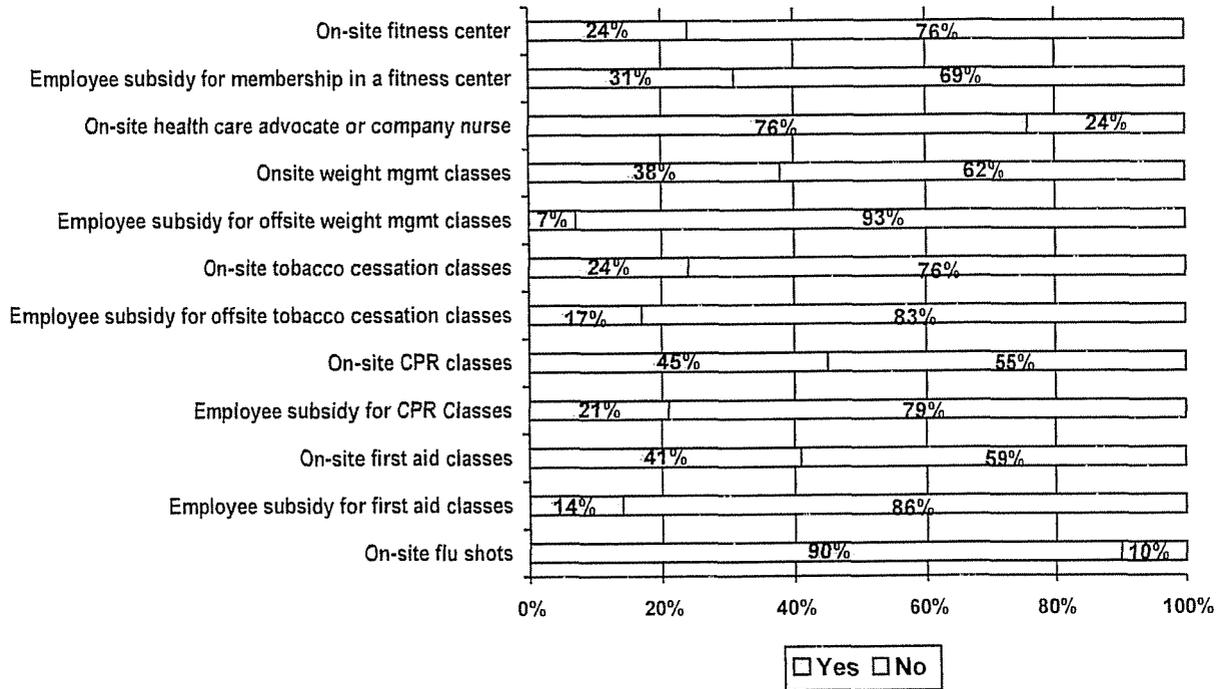
### Linking Premium Contributions to Health Risk Factors

The majority of survey participants are not linking employee health insurance premium contributions to the results of health risk factor screenings.



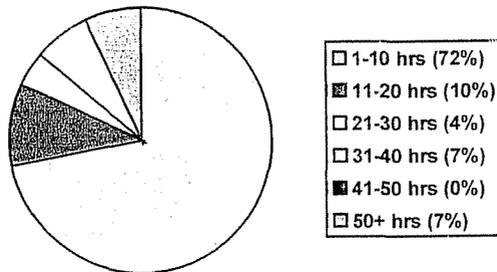
Employee Wellness Program Offerings

The most commonly offered wellness program components are on-site flu shots and an on-site health care advocate or company nurse.



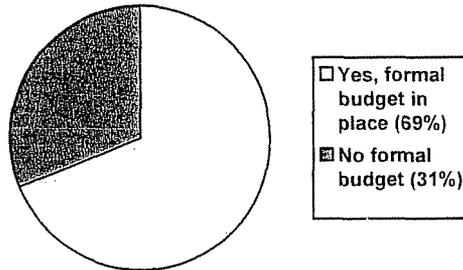
Company Time Devoted to Wellness

82% of survey participants with wellness programs in place spend 20 hours or less per month managing and overseeing their wellness program.



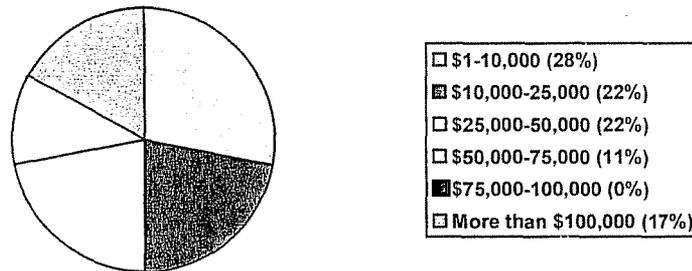
### Annual Wellness Budget

69% of survey participants with a formal wellness program reporting having an annual wellness budget for the program.



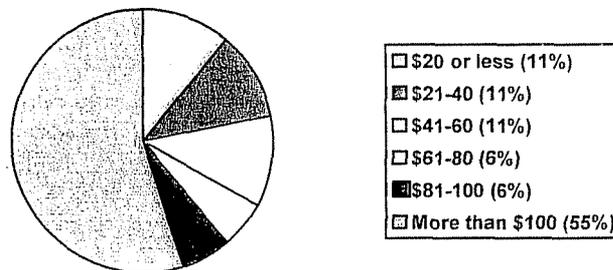
### Amount of Annual Wellness Budget

Annual wellness budgets are widely variable, however, 72% are \$50,000 or less.



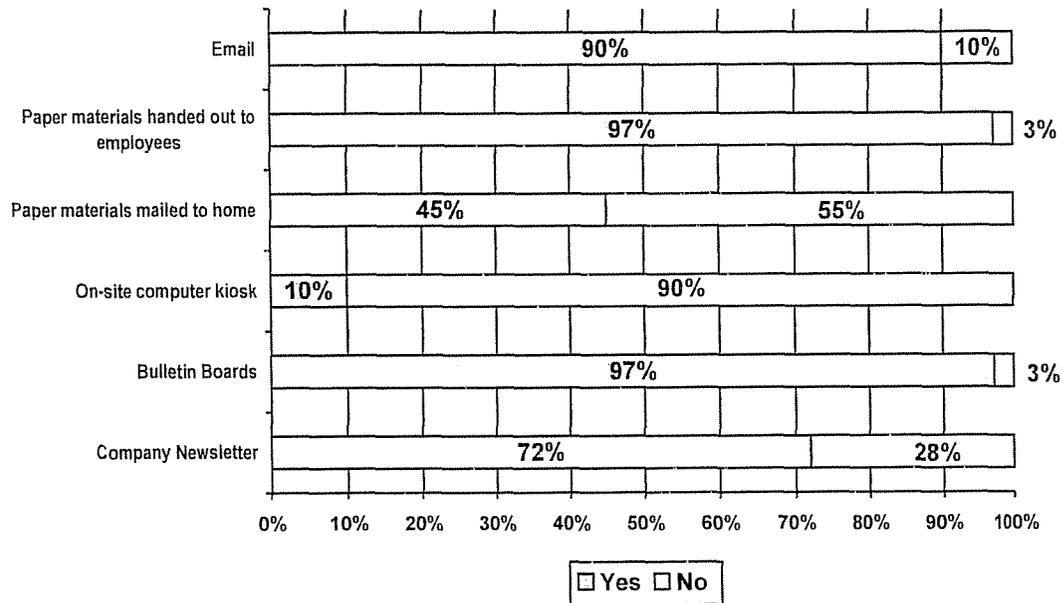
### Annual Wellness Budget Per Employee

While 11% of survey participants with formal wellness programs report annual wellness budgets on a per employee basis of \$20 or less, 55% report a budget of more than \$100 per employee, up from 31% in 2007.



### Employee Wellness Program Communication Methods

The most commonly used communication methods used to communicate wellness program information to employees are company bulletin boards (97%) and paper materials handed out to employees (97%).



### Types of Wellness Program Challenges

Survey participants report the following types of challenges they are facing to support their wellness initiatives:

- Wellness program budget not large enough
- Getting employees to participate
- Weight and diet management
- Having enough time to devote to the program
- How to reach all company locations
- How to plan for next steps

### Greatest Wellness Program Challenge

Survey participants report the following to be their greatest challenge in their employee wellness program:

- Employee participation
- Reducing the number of individuals who smoke
- Measuring the impact of the program
- Touching all employees at all locations
- Reducing the number of people who are overweight or obese
- Finding more time to devote to the program

### Community Resources

Survey participants report that they would be interested in the following community resources if they were available at a reasonable charge:

- Group fitness center discounts or pricing
- Weight management programs
- Tobacco cessation programs
- Health risk assessments

## About Tri-State Business Group on Health

Tri-State Business Group on Health (TSBGH) is a coalition of area businesses working together to support and influence actions to improve the quality and cost-effectiveness of health care services in the Tri-State. Since 1994, TSBGH has been representing employer health care purchasers throughout Southwest Indiana, Northwest Kentucky and Southeast Illinois that offer health insurance benefits to over 50,000 employees and dependents nationwide.

Contact Tri-State Business Group on Health to discuss how we can assist you in:

- Managing & designing your employee health care benefits
- Launching or expanding employee wellness programs
- Understanding healthcare quality and safety and how they impact employee healthcare costs
- Participating in group purchasing programs for self-funded pharmacy benefits and dental benefits (group and voluntary)
- Managing your employee healthcare benefit costs
- Helping your employees become better consumers

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### **Our Vision**

The vision of Tri-State Business Group on Health is quality health care at a reasonable price in the Tri-State community.

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### **Our Mission**

Tri-State Business Group on Health is a non-profit, member-driven association created to influence health care cost-effectiveness and quality through member education & by leveraging the collective strength of the employer members.

## Participating Companies

### Manufacturing

Anchor Industries, Inc.  
Apex Tool & Mfg., Inc.  
Azimuth Custom Extrusions, LLC  
Berry Plastics Corporation  
Escalade Sports  
Evansville Courier Company  
Flair Molded Plastics, Inc.  
George Koch Sons, LLC  
Gibbs Die Casting Corporation  
Hurst Manufacturing  
Jofco, Inc.  
Kimball International, Inc.  
Millennium Steel Service, LLC  
North American Green  
QTR, Inc.  
Red Spot Paint & Varnish Company, Inc.  
Royal Crown Bottling Corp.  
Toyota Motor Manufacturing Indiana, Inc.

### Health-Related

Memorial Hospital and Health Care Center  
Visiting Nurse Association of SW Indiana  
Williams Bros. Health Care Pharmacy

### Finance/Insurance

Bank of Evansville  
Evansville Teachers Federal Credit Union  
German American Bancorp, Inc.  
Integra Bank  
Old National Bancorp  
SIHO Insurance Services

### Utilities

Big Rivers Electric Corporation  
Vectren Corporation

### Not-for-Profit

City of Evansville  
Evansville ARC, Inc.  
Evansville Vanderburgh Public Library  
Saint Meinrad Archabbey  
University of Southern Indiana  
WNIN Tri-State Public Media, Inc.

### Distribution/Warehouse

Koch Air, LLC

### Services

Atlas Van Lines.  
Harding, Shymanski & Co., PSC  
Keller, Schroeder & Associates, Inc.  
Lieberman Technologies

### Other

Action Pest Control  
ARS group – rsc The Quality Measurement Company  
ECS Solutions, Inc.  
F.C. Tucker Emge Realtors  
Shoe Carnival, Inc.  
SITEX Corporation  
Traylor Bros., Inc.  
Wagner Seed & Fertilizer

### Industry Classification Definitions

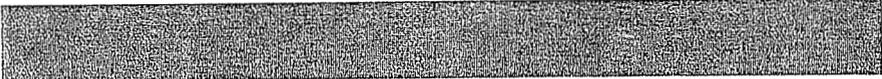
Manufacturing	Includes facilities producing durable or non-durable tangible goods.
Health-Related	Includes hospitals, long-term care facilities, managed care entities and related facilities.
Finance/Insurance	Includes banking, credit union and financial brokerage organization, and organizations providing sales, service and basic insurance programs for public and private sector.
Utilities	Includes telephone, power and other similar organizations.
Not-for-Profit	Includes libraries, museums, educational institutions and government entities.
Distribution/Warehouse	Includes companies primarily involved in the distribution, warehousing or transportation of goods.
Services	Includes law, accounting firms, hospitality, trucking or household goods moving companies, printing companies and any other companies that process data and/or provide advice.
Other	Includes organizations not otherwise classified.



watsonwyatt.com



Watson Wyatt  
**COMPARISON**<sup>™</sup>  
Assessing Your Benefits  
2007 Statistical Summary



## 2007 Statistical Summary

## Watson Wyatt **COMPARISON™** 2006/2007 Benefits Database

### ***Prevalence Tables***

The 2007 Watson Wyatt Statistical Summary consists of tables which present the prevalence of various benefit plan provisions, covering most major employee benefit areas. The prevalence of the benefit plan provisions is provided for the entire 2006/2007 Watson Wyatt **COMPARISON** Database, as well as for six industrial categories.

Prevalence tables are an effective way to compare an employer's benefit package to a group of other employers. Although the tables examine individual benefit plan provisions, as opposed to taking a comprehensive look at the entire benefit package, they provide a cost effective tool for employers to use in reviewing and redesigning benefit programs. Prevalence tables can also be helpful in benefits audits and provide quantitative analysis of the employer's benefits programs as compared to norms such as an industry or geographic group.

If you wish more specific information, we can provide any or all of the prevalence tables represented in the Statistical Summary for various subsets of the database. The subsets can be based on state or region, industrial classification and/or number of employees. As an example of a subset, one might request prevalence tables for medical benefits plan provisions for employers in the health care industry in California.

### ***spreadsheet of Benefits Plan Provisions***

Provided that you are a database participant, we can prepare a spreadsheet of the benefits plan provisions for specific employers selected from the database. We can include all benefits or individual benefits, such as only defined benefit plan provisions.

### ***QuikValue®***

We can also provide an easy-to-use customized online tool that allows an employer to compare their benefits plans to the plans of all employers in the database or subsets of the database. The employer has the opportunity to select from the various industry classifications, geographic locations and employer size. The tool provides at-a-glance comparisons of the individual benefit values and the total benefits package to the database subset(s) selected.

### ***RepRates***

Retirement benefit replacement rates can be provided for selected groups of employers. These can be provided using illustrative employees of your selection using your economic assumptions.

### ***How to Order***

It is our desire to make as much information as possible available. We hope that the Watson Wyatt **COMPARISON** Database deliverables will support this goal in a cost efficient way. For pricing, to request any of the above deliverables or if you have comments or questions, please call your local Watson Wyatt office or e-mail us at [comparison@watsonwyatt.com](mailto:comparison@watsonwyatt.com).

For further information, please visit our web site: [www.watsonwyatt.com/tools/comparison](http://www.watsonwyatt.com/tools/comparison).

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## Employer Information

The employers are divided into industrial categories based on the primary industrial classification of the employer. Note that nonprofit and public employers are included in the 2006/2007 Database column, but are not included in any of the subgroups.

**Number of Employees**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Less than 1,000	15%	12%	18%	5%	20%	17%	14%
1,000 but Less than 5,000	41%	29%	39%	47%	35%	39%	39%
5,000 but Less than 10,000	15%	18%	12%	24%	18%	19%	17%
10,000 but Less than 25,000	19%	18%	15%	17%	10%	17%	16%
25,000 but Less than 50,000	4%	10%	9%	4%	11%	5%	7%
50,000 or More	6%	14%	6%	3%	7%	4%	6%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	186	160	139	224	123	113	1,034
10th Percentile	643	828	427	1,300	476	416	665
25th Percentile	1,925	1,850	1,343	2,518	1,515	1,408	1,850
Median	4,235	6,837	4,100	4,692	3,821	4,164	4,500
75th Percentile	11,157	22,000	12,572	9,130	10,460	10,437	12,500
90th Percentile	25,000	70,000	35,079	16,587	39,108	21,700	32,699

**Regions**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Northeast	17%	19%	34%	15%	28%	24%	21%
Southeast	19%	22%	12%	30%	10%	14%	20%
West South Central	6%	14%	1%	8%	5%	19%	8%
Midwest	46%	21%	35%	27%	32%	21%	31%
Mountain	2%	3%	2%	5%	3%	7%	4%
Pacific	10%	22%	16%	15%	23%	14%	16%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	186	160	139	224	123	113	1,034

## Work/Life Benefits

**Family and Time Off Benefits**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Adoption Assistance	45%	44%	52%	42%	54%	47%	45%
Compressed Workweek	20%	24%	45%	46%	34%	35%	35%
Child Care Assistance	25%	31%	46%	56%	41%	30%	39%
Elder Care Assistance	19%	26%	35%	29%	36%	29%	28%
Flexible Work Schedules	55%	66%	75%	75%	76%	71%	71%
Job Sharing	24%	32%	40%	43%	31%	24%	33%
Long Term Care Insurance	34%	36%	45%	52%	53%	50%	45%
Phased Retirement	4%	4%	4%	11%	12%	7%	9%
Sabbaticals	11%	8%	16%	27%	12%	10%	17%
Telecommuting	31%	45%	60%	46%	67%	40%	47%
Time Off for Community Service	27%	29%	42%	25%	24%	42%	31%
Time Off Donation Bank	6%	7%	13%	58%	12%	14%	22%
None of the Above are Currently Offered	13%	13%	6%	2%	4%	3%	7%
No Response	3%	3%	6%	2%	3%	7%	3%
Number of Plans	186	160	139	224	123	113	1,034

**Convenience Benefits**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Complimentary Meals/Snacks/Beverages	23%	33%	23%	16%	24%	18%	22%
Concierge Services	13%	14%	12%	20%	12%	11%	14%
Employee Self-Service (e.g., online enrollment)	54%	61%	72%	58%	72%	68%	62%
Financial Planning	35%	39%	50%	53%	44%	43%	45%
Fitness Centers	40%	49%	50%	59%	63%	51%	53%
Free or Subsidized Parking	77%	81%	67%	85%	85%	71%	78%
Full-time Business Casual Attire	77%	79%	68%	44%	83%	79%	68%
Group Auto Insurance	27%	33%	35%	32%	47%	39%	33%
Group Homeowners Insurance	26%	30%	33%	31%	46%	38%	32%
Lactation Rooms	36%	51%	64%	54%	54%	40%	48%
Lap Top Computers for Personal Use	12%	17%	14%	7%	15%	11%	12%
Personal Digital Assistant	17%	19%	27%	13%	23%	25%	20%
Pre-tax Transportation Account	13%	25%	45%	20%	24%	19%	24%
Prepaid Legal	23%	24%	22%	42%	30%	27%	28%
Tuition Assistance	94%	80%	91%	96%	96%	91%	90%
None of the Above are Currently Offered	0%	1%	0%	1%	1%	1%	1%
No Response	1%	3%	5%	1%	2%	6%	3%
Number of Plans	186	160	139	224	123	113	1,034

**Other Benefits**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Same gender domestic partner benefits	35%	59%	58%	45%	63%	42%	49%
Opposite gender domestic partner benefits	18%	39%	41%	24%	43%	29%	31%
Neither	55%	34%	32%	45%	31%	49%	42%
No Response	8%	7%	9%	8%	5%	9%	7%
Number of Plans	186	160	139	224	123	113	1,034

## Defined Benefit Plans

**Retirement Plans Offered**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Defined Contribution Plan Only	58%	76%	52%	42%	75%	37%	55%
Defined Benefit Plan Only	0%	1%	0%	1%	0%	0%	1%
Both a Defined Contribution and a Defined Benefit Plan	42%	23%	48%	56%	24%	63%	44%
Neither	1%	0%	0%	0%	1%	0%	*
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	186	160	139	224	123	113	1,034

\* Less than 0.5%

**Type of Defined Benefit Plan**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Traditional Defined Benefit	72%	68%	58%	55%	50%	62%	64%
Cash Balance	21%	32%	34%	40%	33%	32%	30%
Pension Equity	6%	0%	7%	4%	13%	6%	5%
Floor Offset	0%	0%	0%	0%	3%	0%	*
Other	1%	0%	0%	2%	0%	0%	1%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	78	38	67	129	30	71	461

\* Less than 0.5%

**Eligibility Requirements**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Immediate (Any Age/Any Service)	27%	24%	7%	11%	33%	28%	25%
Any Age/Six Months of Service	0%	0%	1%	1%	0%	1%	1%
Any Age/One Year of Service	22%	18%	16%	17%	23%	14%	16%
Any Age/Other Service Requirement	10%	3%	9%	14%	17%	13%	12%
Age 18	5%	3%	0%	5%	0%	11%	5%
Age 21/One Year of Service	28%	39%	45%	32%	17%	15%	28%
Age 21/Service Other Than One Year	6%	13%	15%	17%	7%	11%	11%
Other Age/Service Requirement	1%	0%	6%	3%	3%	6%	3%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	78	38	67	129	30	71	461

**Vesting Schedule**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Five Year Cliff Vesting	94%	82%	94%	88%	87%	89%	88%
Other Vesting Requirement	6%	18%	6%	12%	13%	11%	12%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	78	38	67	129	30	71	461

**Plan Definition of Pay (Excludes Cash Balance Plans)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Final 3	10%	15%	11%	10%	10%	42%	21%
Final 5	69%	77%	75%	69%	70%	44%	61%
Other Final Average Period	6%	8%	2%	4%	5%	13%	7%
Career Pay	13%	0%	11%	14%	15%	2%	10%
Other	2%	0%	0%	3%	0%	0%	1%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	62	26	44	78	20	48	323

**Bonus Included in Plan Definition of Pay**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Yes	79%	74%	66%	63%	80%	65%	65%
No	21%	26%	34%	37%	20%	35%	35%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	77	38	67	127	30	71	457

**Employee Contributions Required for Employer-Provided Benefit**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Employee Contributions Required	0%	8%	0%	5%	10%	3%	7%
No Employee Contributions	100%	92%	100%	95%	90%	97%	93%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	78	38	67	129	30	71	461

**Type of Primary Benefit Formula**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Single Formula with Benefit Offset by Social Security PIA	3%	24%	7%	2%	3%	13%	6%
Single Formula with Benefit Offset by Social Security Covered Compensation	5%	0%	1%	5%	3%	3%	3%
Single Excess Formula Using Social Security Covered Compensation	33%	26%	33%	20%	17%	7%	22%
Single Excess Formula Using Social Security Wage Base	12%	5%	13%	12%	30%	8%	11%
Single Excess Formula Using Other Bend Point	4%	3%	1%	4%	3%	1%	3%
Single Formula Not Integrated with Social Security	41%	37%	40%	54%	33%	56%	49%
Greater of Two or More Pay-related Formulas	1%	3%	3%	2%	3%	11%	4%
Other	1%	3%	0%	2%	7%	0%	1%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	78	38	67	129	30	71	461

**Flat Dollar Minimum Benefit**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Yes	12%	13%	6%	10%	7%	7%	9%
No	88%	87%	94%	90%	93%	93%	91%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	78	38	67	129	30	71	461

**Maximum Service Period**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Only on Integrated Portion of Benefit	8%	11%	6%	8%	13%	7%	7%
Nonintegrated and Integrated Portion have Same Maximum	24%	32%	15%	12%	10%	17%	16%
Nonintegrated Portion has a Higher Maximum than the Integrated Portion	1%	3%	10%	3%	0%	3%	3%
Nonintegrated Benefit with a Maximum Service Period	8%	8%	4%	2%	0%	6%	5%
No Maximum	59%	47%	64%	75%	77%	68%	68%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	78	38	67	129	30	71	461

**Age and Service Requirements for Unreduced Retirement (Youngest Age Rule is Tabulated, Excludes Cash Balance and Pension Equity)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Point Requirement of 85 or Less (May Require Minimum Age or Service)	0%	0%	0%	3%	0%	7%	2%
Point Requirement of More than 85 (May Require Minimum Age or Service)	0%	0%	5%	0%	0%	0%	1%
Less than Age 55 (May Have a Service Requirement)	0%	0%	0%	0%	0%	2%	2%
Age 55 (May Have a Service Requirement)	4%	4%	0%	1%	0%	5%	2%
Age 60 with 20 Years or Less of Service	5%	4%	3%	3%	6%	7%	5%
Age 60 with More than 20 Years of Service	2%	4%	0%	0%	6%	2%	2%
Age 62 with 5 Years or Less of Service	11%	19%	13%	1%	13%	32%	13%
Age 62 with 10 Years of Service	11%	8%	5%	1%	0%	7%	6%
Age 62 with Other Service Requirement	4%	0%	8%	4%	6%	7%	4%
Age 65 with No Service Requirement	38%	35%	36%	49%	56%	25%	35%
Age 65 with 5 Years of Service	21%	23%	31%	32%	6%	5%	23%
Age 65 with Other Service Requirement	2%	4%	0%	3%	0%	2%	2%
Any Age with a Service Requirement	2%	0%	0%	3%	0%	0%	2%
Other Age/Service Requirement	2%	0%	0%	0%	6%	0%	2%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	56	26	39	73	16	44	299

### Age and Service Requirements for Reduced Retirement (Youngest Age Rule is Tabulated, Excludes Cash Balance and Pension Equity)

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Not Offered	2%	0%	3%	4%	0%	5%	4%
Point Requirement of 70 or Less (May Require Minimum Age or Service)	4%	0%	0%	3%	0%	0%	1%
Point Requirement of More than 70 (May Require Minimum Age or Service)	0%	0%	0%	0%	0%	2%	1%
Less than Age 55 (May Have a Service Requirement)	2%	12%	3%	4%	0%	14%	9%
Age 55 with 5 Years of Service	29%	15%	46%	41%	44%	23%	31%
Age 55 with 10 Years of Service	38%	62%	31%	29%	25%	36%	32%
Age 55 with Other Service Requirement	20%	4%	15%	14%	19%	20%	16%
Age 60 or More (May Have a Service Requirement)	5%	8%	3%	3%	13%	0%	4%
Any Age with a Service Requirement	0%	0%	0%	3%	0%	0%	1%
Other Age/Service Requirement	2%	0%	0%	0%	0%	0%	1%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	56	26	39	73	16	44	299

### Supplemental Benefits Available for Early Retirees

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Yes, Payable to Age 65	4%	3%	0%	1%	0%	6%	2%
Yes, Payable to Age 62	5%	8%	1%	1%	0%	1%	2%
Yes, Payable to Other Age	1%	0%	0%	1%	0%	0%	1%
No	90%	89%	99%	98%	100%	92%	95%
No Response	0%	0%	0%	0%	0%	1%	*
Number of Plans	78	38	67	129	30	71	461

\* Less than 0.5%

### Normal Form of Retirement for Single Employees (Excludes Cash Balance and Pension Equity)

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Life Only	91%	96%	87%	88%	81%	89%	88%
5 Years Certain and Life	4%	0%	3%	8%	13%	0%	4%
10 Years Certain and Life	2%	0%	8%	3%	6%	9%	4%
Other	0%	4%	0%	1%	0%	2%	1%
No Response	4%	0%	3%	0%	0%	0%	2%
Number of Plans	56	26	39	73	16	44	299

### Normal Form of Retirement for Married Employees (Excludes Cash Balance and Pension Equity)

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
50% Joint and Survivor	95%	92%	85%	85%	88%	86%	85%
Other	2%	8%	10%	7%	6%	11%	9%
No Response	4%	0%	5%	8%	6%	2%	6%
Number of Plans	56	26	39	73	16	44	299

**Automatic Postretirement COLA**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Yes	1%	5%	4%	3%	0%	3%	6%
No	99%	95%	96%	97%	100%	97%	94%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	78	38	67	129	30	71	461

**Benefit is Available as a Lump Sum if Greater than \$5,000 (Excludes Cash Balance and Pension Equity)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Yes, with No Restriction	9%	12%	15%	19%	31%	23%	18%
Yes, with a Fixed Dollar Limit	4%	15%	15%	8%	0%	7%	8%
Yes, with Other Restriction	0%	0%	5%	3%	0%	2%	3%
No	82%	69%	56%	64%	63%	61%	64%
No Response	5%	4%	8%	5%	6%	7%	8%
Number of Plans	56	26	39	73	16	44	299

**Percentage of Accrued Benefit Paid at Age 55 with 10 Years of Service (Excludes Cash Balance and Pension Equity)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None	20%	12%	18%	14%	19%	5%	17%
Less than 50%	13%	8%	21%	23%	25%	5%	17%
50% but Less than 67%	41%	42%	54%	58%	50%	32%	45%
67% but Less than 80%	23%	35%	8%	4%	6%	48%	18%
80% but Less than 100%	4%	4%	0%	0%	0%	9%	2%
100%	0%	0%	0%	1%	0%	2%	1%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	56	26	39	73	16	44	299
10th Percentile	0%	0%	0%	0%	0%	44%	0%
25th Percentile	40%	50%	39%	40%	39%	58%	40%
Median	56%	60%	50%	50%	50%	70%	50%
75th Percentile	69%	71%	54%	50%	52%	76%	65%
90th Percentile	72%	77%	65%	60%	61%	80%	73%

**Percentage of Accrued Benefit Paid at Age 55 with 20 Years of Service (Excludes Cash Balance and Pension Equity)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None	7%	8%	8%	5%	6%	2%	7%
Less than 50%	13%	8%	18%	25%	25%	5%	17%
50% but Less than 67%	46%	42%	59%	63%	56%	32%	48%
67% but Less than 80%	29%	35%	15%	4%	6%	45%	21%
80% but Less than 100%	5%	4%	0%	0%	6%	14%	4%
100%	0%	4%	0%	3%	0%	2%	2%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	56	26	39	73	16	44	299
10th Percentile	36%	24%	21%	38%	23%	50%	38%
25th Percentile	50%	50%	44%	46%	40%	60%	50%
Median	58%	60%	50%	50%	50%	72%	53%
75th Percentile	70%	72%	63%	50%	55%	79%	69%
90th Percentile	79%	79%	70%	64%	69%	80%	79%

**Percentage of Accrued Benefit Paid at Age 55 with 30 Years of Service (Excludes Cash Balance and Pension Equity)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None	4%	8%	8%	4%	6%	0%	5%
Less than 50%	13%	4%	18%	21%	19%	2%	13%
50% but Less than 67%	46%	46%	59%	60%	50%	32%	45%
67% but Less than 80%	23%	23%	15%	4%	13%	41%	17%
80% but Less than 100%	9%	4%	0%	0%	6%	11%	5%
100%	5%	15%	0%	11%	6%	14%	15%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	56	26	39	73	16	44	299
10th Percentile	40%	24%	21%	39%	23%	51%	40%
25th Percentile	50%	50%	44%	49%	40%	60%	50%
Median	60%	60%	50%	50%	50%	72%	60%
75th Percentile	72%	79%	63%	60%	65%	79%	75%
90th Percentile	83%	100%	70%	93%	81%	100%	100%

**percentage of Accrued Benefit Paid at Age 60 with 10 Years of Service (Excludes Cash Balance and Pension -equity)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None	11%	8%	10%	8%	6%	5%	9%
Less than 50%	0%	0%	0%	1%	0%	2%	1%
50% but Less than 67%	5%	0%	15%	15%	6%	2%	8%
67% but Less than 80%	25%	31%	38%	53%	56%	9%	35%
80% but Less than 90%	32%	27%	26%	12%	13%	20%	23%
90% but Less than 100%	16%	27%	8%	5%	13%	41%	15%
100%	11%	8%	3%	4%	6%	20%	8%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	56	26	39	73	16	44	299
10th Percentile	0%	40%	0%	34%	37%	66%	23%
25th Percentile	67%	69%	65%	65%	67%	82%	67%
Median	80%	85%	70%	67%	75%	91%	75%
75th Percentile	90%	92%	84%	75%	80%	94%	88%
90th Percentile	98%	94%	89%	86%	90%	100%	94%

**Percentage of Accrued Benefit Paid at Age 60 with 20 Years of Service (Excludes Cash Balance and Pension Equity)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None	2%	4%	5%	3%	0%	0%	2%
Less than 50%	0%	0%	0%	1%	0%	2%	1%
50% but Less than 67%	4%	0%	15%	15%	6%	2%	8%
67% but Less than 80%	30%	31%	33%	53%	56%	7%	34%
80% but Less than 90%	29%	27%	31%	16%	13%	14%	23%
90% but Less than 100%	23%	15%	13%	5%	13%	45%	17%
100%	13%	23%	3%	5%	13%	30%	15%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	56	26	39	73	16	44	299
10th Percentile	67%	67%	60%	60%	65%	75%	64%
25th Percentile	70%	73%	67%	67%	67%	88%	67%
Median	85%	85%	75%	67%	75%	92%	80%
75th Percentile	92%	94%	85%	80%	88%	100%	92%
90th Percentile	100%	100%	90%	89%	94%	100%	100%

**Percentage of Accrued Benefit Paid at Age 60 with 30 Years of Service (Excludes Cash Balance and Pension Equity)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None	2%	4%	5%	3%	0%	0%	2%
Less than 50%	0%	0%	0%	0%	0%	0%	0%
50% but Less than 67%	4%	0%	15%	12%	6%	2%	7%
67% but Less than 80%	29%	31%	31%	52%	44%	9%	30%
80% but Less than 90%	25%	27%	28%	14%	13%	14%	19%
90% but Less than 100%	23%	15%	13%	5%	13%	36%	15%
100%	18%	23%	8%	14%	25%	39%	27%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	56	26	39	73	16	44	299
10th Percentile	67%	67%	60%	61%	65%	75%	67%
25th Percentile	70%	73%	67%	67%	67%	88%	69%
Median	85%	85%	75%	69%	75%	94%	85%
75th Percentile	94%	94%	87%	85%	90%	100%	100%
90th Percentile	100%	100%	94%	100%	100%	100%	100%

**Percentage of Accrued Benefit Paid at Age 62 with 10 Years of Service (Excludes Cash Balance and Pension Equity)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None	11%	8%	8%	8%	6%	5%	8%
Less than 50%	0%	0%	0%	1%	0%	2%	1%
50% but Less than 67%	0%	0%	0%	0%	0%	0%	0%
67% but Less than 80%	5%	0%	18%	16%	6%	2%	9%
80% but Less than 90%	38%	38%	41%	56%	63%	16%	41%
90% but Less than 100%	9%	12%	13%	7%	6%	16%	10%
100%	38%	42%	21%	11%	19%	59%	31%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	56	26	39	73	16	44	299
10th Percentile	0%	48%	64%	38%	44%	78%	72%
25th Percentile	80%	81%	77%	77%	80%	89%	80%
Median	88%	91%	82%	80%	85%	100%	85%
75th Percentile	100%	100%	91%	85%	88%	100%	100%
90th Percentile	100%	100%	100%	97%	100%	100%	100%

**Percentage of Accrued Benefit Paid at Age 62 with 20 Years of Service (Excludes Cash Balance and Pension Equity)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None	2%	4%	3%	3%	0%	0%	2%
Less than 50%	0%	0%	0%	1%	0%	2%	1%
50% but Less than 67%	0%	0%	0%	0%	0%	0%	0%
67% but Less than 80%	4%	0%	18%	15%	6%	2%	9%
80% but Less than 90%	38%	38%	36%	55%	63%	11%	38%
90% but Less than 100%	9%	12%	15%	12%	6%	9%	12%
100%	48%	46%	28%	14%	25%	75%	38%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	56	26	39	73	16	44	299
10th Percentile	80%	80%	74%	72%	78%	85%	77%
25th Percentile	82%	84%	80%	80%	80%	94%	80%
Median	91%	91%	85%	80%	85%	100%	90%
75th Percentile	100%	100%	100%	90%	94%	100%	100%
90th Percentile	100%	100%	100%	100%	100%	100%	100%

**Percentage of Accrued Benefit Paid at Age 62 with 30 Years of Service (Excludes Cash Balance and Pension Equity)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None	2%	4%	3%	3%	0%	0%	2%
Less than 50%	0%	0%	0%	0%	0%	0%	0%
50% but Less than 67%	0%	0%	0%	0%	0%	0%	0%
67% but Less than 80%	4%	0%	18%	15%	6%	5%	9%
80% but Less than 90%	34%	38%	31%	49%	38%	9%	31%
90% but Less than 100%	9%	12%	15%	11%	6%	9%	9%
100%	52%	46%	33%	22%	50%	77%	49%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	56	26	39	73	16	44	299
10th Percentile	80%	80%	74%	73%	78%	86%	77%
25th Percentile	82%	84%	80%	80%	80%	100%	80%
Median	100%	91%	87%	81%	94%	100%	94%
75th Percentile	100%	100%	100%	91%	100%	100%	100%
90th Percentile	100%	100%	100%	100%	100%	100%	100%

## Defined Contribution Plans

**Retirement Plans Offered**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Defined Contribution Plan Only	58%	76%	52%	42%	75%	37%	55%
Defined Benefit Plan Only	0%	1%	0%	1%	0%	0%	1%
Both a Defined Contribution and a Defined Benefit Plan	42%	23%	48%	56%	24%	63%	44%
Neither	1%	0%	0%	0%	1%	0%	*
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	186	160	139	224	123	113	1,034

\* Less than 0.5%

**Type of Defined Contribution Plan**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Employee Contributions Only	4%	3%	2%	18%	0%	2%	8%
Employer Contributions that Match Employee Contributions	56%	70%	53%	53%	73%	65%	58%
Employer Contributions that Do Not Match Employee Contributions	6%	8%	8%	8%	5%	5%	8%
Both Matching and Nonmatching Employer Contributions	35%	20%	37%	21%	22%	28%	26%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	185	159	139	221	122	113	1,023

**Eligibility Requirements**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Immediate (Any Age/Any Service)	37%	24%	36%	54%	50%	63%	45%
Any Age/Service Less than 6 Months	23%	13%	16%	7%	13%	11%	13%
Any Age/6 Months of Service	4%	6%	4%	*	1%	3%	3%
Any Age/1 Year of Service	3%	3%	6%	8%	2%	4%	5%
Any Age/Other Service Requirement	1%	0%	1%	0%	1%	0%	*
Age 18	16%	21%	14%	10%	15%	16%	14%
Age 21/1 Year of Service	3%	11%	4%	5%	2%	1%	5%
Age 21/Service Other than 1 Year	14%	22%	18%	13%	15%	3%	14%
Other Age/Service Requirement	0%	0%	2%	2%	1%	0%	1%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	185	159	139	221	122	113	1,023

\* Less than 0.5%

**Vesting Schedule for Nonmatching Plans**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Immediate	20%	16%	24%	17%	33%	32%	27%
Graded Vesting, Full Vesting in 5 Years	21%	23%	24%	23%	21%	21%	21%
Graded Vesting, Full Vesting in 6 Years	5%	7%	3%	3%	3%	3%	4%
Graded Vesting, Full Vesting in Other than 5 or 6 Years	4%	9%	11%	9%	12%	11%	9%
Cliff Vesting with 3 Years of Service	19%	20%	19%	22%	21%	16%	18%
Cliff Vesting with 5 Years of Service	17%	16%	14%	19%	9%	5%	14%
Cliff Vesting Other than 5 Years of Service	7%	2%	0%	5%	0%	5%	3%
Other	7%	7%	5%	0%	0%	8%	4%
No Response	0%	0%	0%	2%	0%	0%	*
Number of Plans	75	44	63	64	33	38	351

\* Less than 0.5%

**Vesting Schedule for Matching Plans**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Immediate	31%	34%	41%	28%	42%	49%	37%
Graded Vesting, Full Vesting in 6 Years	7%	6%	2%	5%	2%	1%	4%
Graded Vesting, Full Vesting in Other than 6 Years	37%	42%	36%	30%	40%	28%	35%
Cliff Vesting with 3 Years of Service	20%	13%	11%	26%	11%	12%	16%
Cliff Vesting Other than 3 Years of Service	4%	6%	8%	11%	3%	10%	7%
Other	0%	1%	2%	1%	1%	1%	1%
No Response	1%	0%	0%	0%	1%	0%	*
Number of Plans	167	143	125	165	116	105	862

\* Less than 0.5%

**Amount of Employer Contributions Not Requiring an Employee Contribution (As a Percent of Pay)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None (Not Included in Percentiles)	59%	72%	55%	71%	73%	66%	66%
Less than 2%	3%	3%	4%	2%	2%	3%	3%
2% but Less than 4%	14%	11%	15%	14%	11%	9%	12%
4% but Less than 6%	12%	5%	9%	8%	5%	11%	9%
6% but Less than 10%	6%	4%	6%	3%	6%	8%	5%
10% or More	5%	6%	11%	2%	4%	4%	6%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	185	159	139	221	122	113	1,023
10th Percentile	2.0%	2.0%	1.8%	2.0%	2.0%	1.8%	2.0%
25th Percentile	3.0%	2.0%	2.0%	3.0%	2.6%	3.0%	3.0%
Median	4.5%	4.0%	4.0%	3.0%	4.0%	5.0%	4.1%
75th Percentile	6.0%	7.4%	8.0%	5.0%	7.4%	6.0%	7.0%
90th Percentile	10.0%	16.2%	15.0%	7.0%	13.5%	8.4%	13.0%

**Amount of Employer Match on a 2% Employee Contribution (Plans Matching a 2% Contribution)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
25% or Less	3%	7%	0%	10%	1%	2%	4%
26% to 50%	41%	47%	29%	55%	39%	30%	40%
51% to 75%	14%	8%	7%	3%	5%	17%	8%
76% to 100%	38%	36%	52%	26%	48%	44%	41%
Over 100%	4%	2%	12%	5%	7%	7%	7%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	167	143	125	164	115	105	860
10th Percentile	50%	43%	50%	25%	50%	50%	50%
25th Percentile	50%	50%	50%	50%	50%	50%	50%
Median	61%	50%	100%	50%	100%	78%	75%
75th Percentile	100%	100%	100%	100%	100%	100%	100%
90th Percentile	100%	100%	120%	100%	100%	100%	100%

**Amount of Employer Match on a 4% Employee Contribution (Plans Matching a 4% Contribution)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
25% or Less	6%	7%	1%	12%	2%	1%	5%
26% to 50%	57%	62%	50%	65%	66%	46%	56%
51% to 75%	12%	7%	5%	4%	6%	19%	8%
76% to 100%	23%	22%	36%	17%	23%	33%	27%
Over 100%	2%	1%	8%	2%	4%	1%	4%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	156	134	115	127	105	96	764
10th Percentile	50%	37%	50%	25%	50%	50%	50%
25th Percentile	50%	50%	50%	50%	50%	50%	50%
Median	50%	50%	50%	50%	50%	65%	50%
75th Percentile	75%	71%	100%	50%	98%	100%	100%
90th Percentile	100%	100%	100%	100%	100%	100%	100%

**Amount of Employer Match on a 6% Employee Contribution (Plans Matching a 6% Contribution)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
25% or Less	6%	11%	1%	9%	7%	1%	6%
26% to 50%	57%	65%	55%	74%	69%	52%	60%
51% to 75%	13%	8%	7%	3%	7%	24%	10%
76% to 100%	22%	14%	28%	10%	15%	21%	20%
Over 100%	1%	1%	9%	3%	3%	1%	3%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	98	84	75	58	74	75	477
10th Percentile	50%	25%	50%	29%	35%	50%	50%
25th Percentile	50%	50%	50%	50%	50%	50%	50%
Median	50%	50%	50%	50%	50%	50%	50%
75th Percentile	75%	50%	100%	50%	50%	75%	75%
90th Percentile	100%	100%	100%	100%	100%	100%	100%

**Some Portion of Employer Contribution Made in Company Stock**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Yes	13%	10%	10%	1%	11%	25%	9%
No	87%	90%	90%	99%	89%	75%	91%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	185	159	139	221	122	113	1,023

**Employees Automatically Enrolled in Employer Plan**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Yes	47%	27%	32%	21%	35%	29%	31%
No	45%	66%	61%	69%	57%	64%	61%
No Response	8%	7%	7%	10%	7%	7%	8%
Number of Plans	185	156	139	220	122	113	1,018

**Maximum Contribution by Employee (As a Percent of Pay)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None (Not Included in Percentiles)	0%	2%	0%	*	0%	0%	*
Less than 10%	0%	0%	0%	1%	2%	0%	1%
10% but Less than 20%	6%	9%	4%	2%	6%	7%	5%
20% but Less than 50%	31%	20%	33%	10%	35%	29%	24%
50% but Less than 75%	38%	35%	32%	14%	33%	32%	27%
75% or More	25%	33%	31%	71%	25%	32%	42%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	185	159	139	221	122	113	1,023
10th Percentile	20%	20%	20%	22%	20%	20%	20%
25th Percentile	25%	25%	26%	50%	25%	30%	30%
Median	50%	50%	50%	100%	50%	50%	50%
75th Percentile	74%	80%	75%	100%	69%	75%	100%
90th Percentile	100%	100%	100%	100%	100%	100%	100%

\* Less than 0.5%

**Bonus Included in Definition of Pay**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Yes	67%	70%	67%	59%	67%	55%	62%
No	33%	30%	33%	41%	33%	45%	38%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	185	159	139	221	122	113	1,023

**Loans Permitted**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Yes	99%	99%	99%	98%	97%	100%	99%
No	1%	1%	1%	2%	3%	0%	1%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	185	159	139	221	122	113	1,023

**Hardship Withdrawals Permitted**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Yes	99%	99%	99%	98%	97%	99%	98%
No	1%	1%	1%	2%	3%	1%	2%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	185	159	139	221	122	113	1,023

## Retiree Medical

**Retiree Medical Coverage for Future Retirees**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Under Age 65 Only	15%	11%	16%	13%	14%	14%	13%
Age 65 and Over Only	1%	1%	1%	3%	2%	0%	1%
Both Under and Over Age 65	29%	20%	43%	13%	23%	57%	31%
No Coverage	55%	68%	40%	71%	62%	29%	54%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	186	160	139	224	123	113	1,034

**Eligibility Requirements (for Plans with Multiple Rules, Lowest Age Rule Tabulated)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Any Age with a Service Requirement	0%	2%	1%	3%	2%	3%	2%
Age 55 with 5 Years of Service	10%	8%	15%	13%	13%	13%	12%
Age 55 with 10 Years of Service	54%	45%	44%	31%	36%	40%	39%
Age 55 with 15 or More Years of Service	5%	22%	10%	20%	11%	10%	12%
Age 55 with Other Service Requirement	1%	0%	1%	2%	4%	5%	2%
Age 60 (May Have a Service Requirement)	5%	6%	7%	9%	13%	4%	8%
Age 62 (May Have a Service Requirement)	11%	4%	1%	5%	4%	3%	5%
Age 65 (May Have a Service Requirement)	6%	4%	4%	6%	4%	3%	4%
Point Requirement (May Have a Service Requirement)	2%	4%	7%	8%	9%	5%	6%
Other Age/Service Requirement	6%	6%	10%	3%	4%	16%	10%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	83	51	84	64	47	80	472

**Retiree Contribution Basis**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None	6%	6%	1%	5%	0%	1%	3%
Fixed Dollar Amount	13%	14%	7%	13%	9%	14%	13%
Percent of Cost (does not vary with age or service)	5%	6%	0%	3%	4%	14%	5%
Varies with Age and/or Service	22%	20%	30%	19%	4%	41%	25%
Retiree-Pay-All	40%	39%	43%	52%	70%	19%	40%
Other	14%	16%	19%	9%	13%	11%	13%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	83	51	84	64	47	80	472

**Spousal Coverage**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Both Under and Over Age 65	64%	63%	70%	41%	60%	83%	67%
Under Age 65 Only	33%	35%	27%	45%	34%	18%	29%
Age 65 and Over Only	1%	2%	2%	9%	4%	0%	3%
Spouses Not Covered	2%	0%	0%	5%	2%	0%	1%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	83	51	84	64	47	80	472

**Surviving Spousal Coverage**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Both Under and Over Age 65	53%	59%	62%	30%	47%	81%	60%
Under Age 65 Only	25%	27%	26%	30%	28%	15%	22%
Age 65 and Over Only	1%	2%	1%	9%	4%	0%	2%
Surviving Spouses Not Covered	20%	12%	11%	31%	21%	4%	16%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	83	51	84	64	47	80	472

**Employer Contribution Increase Limit**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Retiree Pays Full Cost	40%	39%	43%	52%	70%	19%	40%
Employer Limits on Contribution Increases Exist	23%	14%	23%	16%	17%	38%	21%
No Limit on Employer Future Contribution Increases	37%	47%	35%	33%	13%	44%	39%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	83	51	84	64	47	80	472

**Most Prevalent Type of Coverage for Retirees Under Age 65**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Indemnity	5%	14%	6%	3%	2%	10%	7%
Preferred Provider Organization (PPO)	73%	62%	63%	52%	64%	74%	63%
Point of Service Plan (POS)	9%	14%	13%	21%	11%	5%	12%
Health Maintenance Organization (HMO)	13%	10%	17%	24%	22%	11%	19%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	82	50	82	58	45	80	459

**Retirees Age 65 and Over--Type of Medicare Coordination**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Coordination of Benefits	11%	18%	18%	40%	27%	19%	21%
Maintenance of Benefits	15%	15%	13%	11%	10%	13%	12%
Carve-Out	60%	55%	44%	17%	50%	53%	47%
Medicare Supplemental	9%	6%	15%	11%	7%	8%	12%
Medicare Advantage	5%	3%	6%	17%	3%	6%	6%
None/Not applicable	0%	3%	5%	3%	3%	2%	2%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	55	33	62	35	30	64	335

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## Retiree Life Insurance

**Retiree Life Insurance Coverage**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None	71%	84%	69%	83%	88%	52%	74%
Under Age 65 Only	1%	1%	0%	0%	2%	2%	1%
Age 65 and Over Only	0%	0%	0%	1%	2%	0%	1%
Both Under and Over Age 65	28%	14%	31%	16%	8%	46%	24%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	186	160	139	224	123	113	1,034

**Eligibility Requirements**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Any Age with a Service Requirement	4%	0%	5%	10%	0%	4%	4%
Age 55 with 5 Years of Service	15%	4%	12%	18%	0%	11%	12%
Age 55 with 10 Years of Service	44%	52%	42%	26%	40%	48%	39%
Age 55 with 15 or More Years of Service	4%	28%	21%	21%	7%	9%	14%
Age 55 with Other Service Requirement	2%	0%	2%	5%	7%	6%	3%
Age 60 (May Have a Service Requirement)	7%	0%	7%	5%	27%	4%	8%
Age 62 (May Have a Service Requirement)	11%	4%	2%	3%	0%	6%	5%
Age 65 (May Have a Service Requirement)	6%	4%	0%	5%	13%	2%	5%
Point Requirement (May Have a Service Requirement)	2%	4%	2%	3%	0%	2%	3%
Other Age/Service Requirement	6%	4%	7%	5%	7%	9%	8%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	54	25	43	39	15	54	266

**Type of Coverage for Retirees Under Age 65**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Flat Dollar Amount \$1,000 or Less	0%	0%	0%	11%	0%	0%	2%
Flat Dollar Amount More than \$1,000 but Less than or Equal to \$5,000	30%	28%	26%	22%	46%	11%	24%
Flat Dollar Amount More than \$5,000 but Less than or Equal to \$10,000	20%	12%	30%	17%	8%	24%	20%
Flat Dollar Amount More than \$10,000 but Less than or Equal to \$15,000	0%	8%	2%	0%	8%	9%	3%
Flat Dollar Amount More than \$15,000	9%	4%	0%	3%	8%	11%	7%
Dollar Amount that Reduces with Age	0%	0%	0%	3%	0%	4%	2%
Dollar Amount that Reduces with Years of Retirement	4%	0%	5%	3%	0%	0%	2%
Fixed Percentage of Preretirement Pay that is Less than 100%	7%	16%	7%	6%	0%	13%	8%
100% of Preretirement Pay	6%	4%	9%	14%	23%	6%	8%
Fixed Percentage of Preretirement Pay that is More than 100%	6%	4%	12%	0%	0%	2%	4%
Reducing Percentage of Preretirement Pay Based on Age	2%	12%	0%	11%	0%	4%	5%
Reducing Percentage of Preretirement Pay Based on Years Retired	7%	0%	7%	3%	0%	6%	6%
Varies by Age, Service and/or Preretirement Pay	9%	12%	2%	8%	8%	11%	8%
Other	0%	0%	0%	0%	0%	0%	0%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	54	25	43	36	13	54	260

**Type of Coverage for Retirees Age 65 and Over**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Flat Dollar Amount \$1,000 or Less	0%	0%	0%	15%	8%	0%	4%
Flat Dollar Amount More than \$1,000 but Less than or Equal to \$5,000	30%	30%	23%	28%	42%	12%	25%
Flat Dollar Amount More than \$5,000 but Less than or Equal to \$10,000	19%	13%	33%	18%	25%	27%	21%
Flat Dollar Amount More than \$10,000 but Less than or Equal to \$15,000	0%	4%	2%	0%	8%	10%	3%
Flat Dollar Amount Over \$15,000	9%	4%	0%	0%	0%	13%	5%
Dollar Amount that Reduces with Age	2%	17%	2%	3%	0%	2%	5%
Dollar Amount that Reduces with Years of Retirement	6%	0%	5%	3%	8%	0%	3%
Fixed Percentage of Preretirement Pay that is Less than 100%	6%	9%	7%	8%	0%	13%	8%
100% of Preretirement Pay	0%	0%	2%	5%	8%	0%	2%
Fixed Percentage of Preretirement Pay that is More than 100%	0%	0%	2%	0%	0%	0%	*
Reducing Percentage of Preretirement Pay Based on Age	9%	9%	7%	10%	0%	6%	8%
Reducing Percentage of Preretirement Pay Based on Years Retired	8%	0%	9%	3%	0%	6%	6%
Varies by Age, Service and/or Preretirement Pay	11%	13%	7%	8%	0%	12%	10%
Other	0%	0%	0%	0%	0%	0%	0%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	53	23	43	39	12	52	257

\* Less than 0.5%

**Retiree Contributions**

	<b>Manu- facturing</b>	<b>Nonmanu- facturing</b>	<b>Finance</b>	<b>Health Care</b>	<b>Hi-Tech</b>	<b>Energy &amp; Chemicals</b>	<b>2006/2007 Database</b>
Contributions Required	2%	12%	16%	28%	20%	22%	18%
No Contributions Required	98%	88%	84%	72%	80%	78%	82%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	54	25	43	39	15	54	266

## **Medical Coverage**

**Type of Primary Medical Plan**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Indemnity	1%	0%	0%	1%	0%	2%	1%
Preferred Provider Organization (PPO)	81%	69%	60%	50%	63%	74%	64%
Point of Service (POS)	5%	13%	14%	14%	15%	9%	12%
Health Maintenance Organization (HMO)	12%	18%	26%	34%	21%	15%	23%
Other Plan Type	0%	0%	0%	0%	0%	0%	0%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	186	160	139	224	123	113	1,034

**Eligibility**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Immediate	46%	34%	42%	11%	72%	71%	41%
1 Month or Less	42%	40%	51%	71%	27%	27%	46%
2 Months	6%	9%	1%	5%	0%	1%	4%
3 Months	6%	15%	5%	13%	2%	2%	8%
4 or More Months	1%	3%	0%	0%	0%	0%	*
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	186	160	139	224	123	113	1,034
10th Percentile	0	0	0	0	0	0	0
25th Percentile	0	0	0	1	0	0	0
Median	1	1	1	1	0	0	1
75th Percentile	1	2	1	1	1	1	1
90th Percentile	2	3	1	3	1	1	2

Less than 0.5%

**Monthly Employee Medical Contributions for Employee Only Coverage**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None	8%	8%	7%	13%	2%	12%	10%
Less than \$40	20%	18%	10%	24%	13%	19%	19%
\$40 but Less than \$50	11%	7%	9%	11%	7%	12%	10%
\$50 but Less than \$60	11%	11%	7%	10%	11%	10%	10%
\$60 but Less than \$70	12%	8%	8%	13%	23%	12%	12%
\$70 but Less than \$80	11%	13%	18%	9%	15%	14%	12%
\$80 or More	25%	35%	37%	18%	27%	21%	26%
No Response	1%	1%	3%	1%	2%	1%	1%
Number of Plans	186	160	139	224	123	113	1,034
10th Percentile	\$ 12	\$ 15	\$ 29	\$ 0	\$ 29	\$ 0	\$ 0
25th Percentile	\$ 35	\$ 38	\$ 47	\$ 30	\$ 50	\$ 32	\$ 35
Median	\$ 59	\$ 63	\$ 74	\$ 51	\$ 66	\$ 55	\$ 60
75th Percentile	\$ 80	\$ 90	\$ 90	\$ 72	\$ 80	\$ 77	\$ 80
90th Percentile	\$ 101	\$ 116	\$ 112	\$ 95	\$ 108	\$ 95	\$ 104

**Monthly Employee Medical Contributions for Employee Plus Two or More Coverage**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Less than \$100	17%	16%	6%	16%	8%	17%	14%
\$100 but Less than \$150	15%	8%	10%	11%	10%	14%	11%
\$150 but Less than \$175	12%	6%	4%	11%	9%	9%	8%
\$175 but Less than \$200	12%	10%	8%	9%	9%	13%	10%
\$200 but Less than \$250	22%	16%	18%	27%	25%	22%	21%
\$250 or More	20%	44%	52%	25%	37%	24%	34%
No Response	1%	1%	3%	1%	2%	1%	1%
Number of Plans	186	160	139	224	123	113	1,034
10th Percentile	\$ 46	\$ 57	\$ 109	\$ 77	\$ 101	\$ 78	\$ 77
25th Percentile	\$ 119	\$ 158	\$ 182	\$ 138	\$ 167	\$ 126	\$ 141
Median	\$ 185	\$ 228	\$ 256	\$ 204	\$ 222	\$ 190	\$ 211
75th Percentile	\$ 235	\$ 305	\$ 319	\$ 251	\$ 275	\$ 248	\$ 276
90th Percentile	\$ 286	\$ 353	\$ 369	\$ 337	\$ 347	\$ 297	\$ 347

**Percent of Employee Only Medical Premium Paid by Employee**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None (Employer Pays Full Cost)	8%	8%	7%	13%	2%	12%	10%
Less than 10%	11%	12%	8%	18%	11%	13%	13%
10% but Less than 15%	19%	14%	12%	25%	11%	19%	17%
15% but Less than 20%	17%	14%	17%	20%	25%	13%	18%
20% but Less than 25%	23%	14%	22%	15%	28%	27%	20%
25% but Less than 50%	19%	37%	32%	7%	19%	15%	19%
50% or More	2%	2%	1%	1%	2%	0%	1%
No Response	1%	0%	1%	1%	1%	1%	1%
Number of Plans	186	160	139	224	123	113	1,034
Average	18.7%	20.3%	19.9%	13.5%	19.3%	15.5%	17.1%
10th Percentile	3.0%	4.0%	6.7%	0.0%	8.0%	0.0%	0.0%
25th Percentile	11.0%	11.0%	13.0%	7.0%	14.0%	9.0%	10.0%
Median	18.0%	20.0%	20.0%	13.0%	19.0%	17.0%	16.0%
75th Percentile	23.0%	29.0%	26.0%	18.0%	22.0%	20.0%	23.0%
90th Percentile	31.0%	35.0%	31.0%	24.0%	26.0%	26.0%	29.0%

**Percent of Employee Plus Two or More Medical Premium Paid by Employee**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None (Employer Pays Full Cost)	5%	7%	3%	5%	2%	5%	5%
Less than 10%	11%	9%	6%	12%	7%	6%	9%
10% but Less than 15%	11%	7%	8%	16%	9%	20%	12%
15% but Less than 20%	23%	13%	8%	23%	19%	14%	17%
20% but Less than 25%	23%	14%	22%	21%	31%	33%	23%
25% but Less than 50%	24%	48%	50%	20%	29%	19%	31%
50% or More	2%	2%	1%	3%	2%	1%	3%
No Response	1%	0%	1%	1%	1%	2%	1%
Number of Plans	186	160	139	224	123	113	1,034
Average	20.0%	23.4%	24.3%	19.0%	22.2%	18.4%	21.2%
10th Percentile	5.5%	6.0%	9.7%	7.0%	10.2%	7.0%	7.0%
25th Percentile	13.0%	15.0%	19.0%	11.3%	16.0%	12.0%	14.0%
Median	19.0%	24.0%	25.0%	18.0%	21.0%	20.0%	20.0%
75th Percentile	25.0%	32.0%	30.0%	23.8%	25.5%	22.3%	27.0%
90th Percentile	30.0%	39.0%	35.0%	29.0%	30.0%	28.9%	34.0%

**Monthly Opt Out Credit for Declining Coverage**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None (Not Included in Percentiles)	68%	82%	78%	58%	78%	58%	70%
Less than \$50	6%	6%	7%	16%	12%	12%	10%
\$50 but Less than \$75	12%	7%	7%	13%	7%	19%	11%
\$75 but Less than \$100	5%	3%	4%	6%	1%	3%	4%
\$100 or More	8%	3%	4%	6%	2%	8%	5%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	186	160	139	224	123	113	1,034
10th Percentile	\$ 41	\$ 22	\$ 26	\$ 30	\$ 24	\$ 29	\$ 30
25th Percentile	\$ 50	\$ 41	\$ 40	\$ 39	\$ 32	\$ 42	\$ 42
Median	\$ 56	\$ 58	\$ 62	\$ 51	\$ 44	\$ 50	\$ 50
75th Percentile	\$ 88	\$ 74	\$ 84	\$ 83	\$ 50	\$ 74	\$ 83
90th Percentile	\$ 111	\$ 100	\$ 100	\$ 130	\$ 72	\$ 122	\$ 125

**Type of Drug Coverage (Retail Drugs) †**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None	0%	0%	0%	0%	0%	0%	0%
Drug Coverage (2-Tier)	15%	11%	7%	11%	7%	19%	12%
Drug Coverage (3-Tier)	85%	89%	93%	89%	93%	81%	88%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	122	114	103	142	83	83	708

† Only includes plans with 2007 data.

Employers may not be exclusively classified as a copayment or coinsurance plan, and may be represented in other type of table based on coverage for each individual type of drug.

### Copayment for Retail Generic Drugs (Only Plans with 3-Tier Coverage) †

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Less than \$5	1%	0%	0%	3%	0%	2%	1%
\$5 to \$7	20%	24%	15%	21%	19%	23%	21%
\$8 to \$10	69%	71%	76%	62%	75%	68%	69%
More than \$10	10%	5%	9%	15%	6%	6%	9%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	80	76	75	117	53	47	497
10th Percentile	\$ 5	\$ 5	\$ 6	\$ 5	\$ 6	\$ 5	\$ 5
25th Percentile	\$ 8	\$ 8	\$ 10	\$ 8	\$ 10	\$ 7	\$ 8
Median	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10
75th Percentile	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10
90th Percentile	\$ 10	\$ 10	\$ 10	\$ 15	\$ 10	\$ 10	\$ 10

† Only includes plans with 2007 data.

### Copayment for Retail Preferred Brand Drugs (Only Plans with 3-Tier Coverage) †

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
\$30 or Less	14%	13%	13%	20%	8%	25%	16%
\$31 to \$35	19%	23%	10%	11%	25%	20%	17%
\$36 to \$40	41%	41%	36%	25%	33%	15%	32%
\$41 to \$45	4%	4%	13%	16%	10%	3%	10%
More than \$45	20%	17%	28%	23%	23%	33%	22%
No Response	1%	1%	0%	5%	0%	5%	3%
Number of Plans	69	69	69	114	48	40	457
10th Percentile	\$ 18	\$ 20	\$ 15	\$ 15	\$ 20	\$ 15	\$ 15
25th Percentile	\$ 20	\$ 20	\$ 20	\$ 20	\$ 20	\$ 20	\$ 20
Median	\$ 25	\$ 23	\$ 25	\$ 25	\$ 20	\$ 25	\$ 25
75th Percentile	\$ 25	\$ 25	\$ 25	\$ 27	\$ 25	\$ 25	\$ 25
90th Percentile	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 25	\$ 30

† Only includes plans with 2007 data.

### Copayment for Other Retail Brand Drugs (Only Plans with 3-Tier Coverage) †

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
\$30 or Less	14%	13%	13%	21%	8%	26%	17%
\$31 to \$35	20%	23%	10%	12%	25%	21%	18%
\$36 to \$40	40%	41%	36%	26%	33%	16%	33%
\$41 to \$45	4%	4%	13%	17%	10%	3%	10%
\$46 to \$50	16%	17%	23%	15%	21%	32%	18%
More than \$50	6%	0%	4%	9%	2%	3%	5%
No Response	0%	1%	0%	0%	0%	0%	*
Number of Plans	70	69	69	108	48	38	448
10th Percentile	\$ 30	\$ 30	\$ 25	\$ 29	\$ 34	\$ 20	\$ 30
25th Percentile	\$ 35	\$ 35	\$ 40	\$ 35	\$ 35	\$ 30	\$ 35
Median	\$ 40	\$ 40	\$ 40	\$ 40	\$ 40	\$ 40	\$ 40
75th Percentile	\$ 43	\$ 40	\$ 50	\$ 45	\$ 45	\$ 50	\$ 45
90th Percentile	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50

† Only includes plans with 2007 data.

\* Less than 0.5%

Employers may not be exclusively classified as a copayment or coinsurance plan, and may be represented in either type of table based on coverage for each individual type of drug. Drug plans that specify coverage other than 100% are classified below. Minimum or maximum copayments are not accounted for.

**Coverage for Retail Generic Drugs (Only Plans with 3-Tier Coverage) †**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Less than 80%	21%	24%	33%	10%	21%	20%	23%
80%	38%	44%	43%	30%	54%	55%	45%
81% to 90%	25%	28%	19%	40%	25%	25%	27%
More than 90%	17%	4%	5%	20%	0%	0%	6%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	24	25	21	10	24	20	128
10th Percentile	72%	70%	70%	75%	72%	70%	70%
25th Percentile	80%	76%	75%	80%	80%	80%	80%
Median	80%	80%	80%	90%	80%	80%	80%
75th Percentile	90%	85%	80%	90%	80%	80%	90%
90th Percentile	97%	90%	90%	99%	90%	90%	90%

† Only includes plans with 2007 data.

**Coverage for Retail Preferred Brand Drugs (Only Plans with 3-Tier Coverage) †**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Less than 70%	6%	9%	4%	0%	0%	0%	4%
70% to 80%	40%	53%	59%	50%	41%	44%	48%
80%	43%	34%	33%	29%	48%	52%	41%
More than 80%	11%	3%	4%	14%	10%	4%	7%
No Response	0%	0%	0%	7%	0%	0%	1%
Number of Plans	35	32	27	14	29	27	169
10th Percentile	70%	66%	70%	70%	70%	70%	70%
25th Percentile	75%	70%	70%	71%	71%	74%	70%
Median	80%	75%	75%	77%	80%	80%	75%
75th Percentile	80%	80%	80%	80%	80%	80%	80%
90th Percentile	85%	80%	80%	84%	81%	80%	80%

† Only includes plans with 2007 data.

**Coverage for Other Retail Brand Drugs (Only Plans with 3-Tier Coverage) †**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Less than 60%	12%	18%	22%	26%	24%	3%	17%
60% to 70%	29%	27%	33%	42%	14%	41%	30%
70% to 80%	24%	36%	30%	16%	21%	38%	29%
80%	24%	12%	15%	11%	31%	14%	18%
More than 80%	12%	3%	0%	5%	10%	3%	6%
No Response	0%	3%	0%	0%	0%	0%	1%
Number of Plans	34	33	27	19	29	29	178
10th Percentile	50%	50%	50%	50%	50%	60%	50%
25th Percentile	60%	60%	58%	54%	56%	60%	60%
Median	70%	70%	65%	60%	70%	70%	70%
75th Percentile	80%	75%	71%	70%	80%	74%	75%
90th Percentile	86%	80%	80%	80%	81%	80%	80%

† Only includes plans with 2007 data.

**Type of Maximum Benefit Level for Medical Coverage**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
No Maximum	34%	46%	58%	47%	52%	42%	47%
Lifetime Maximum	66%	54%	42%	53%	48%	58%	53%
Annual Maximum	1%	1%	0%	*	0%	0%	*
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	186	160	139	224	123	113	1,034

\* Less than 0.5%

**Amount of Lifetime Maximum Benefit (PPO and POS Plans with a Lifetime Maximum)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Less than \$1,000,000	3%	0%	0%	0%	0%	2%	1%
\$1,000,000	33%	34%	9%	45%	17%	18%	29%
More than \$1,000,000 but Less than \$2,000,000	8%	4%	0%	4%	4%	11%	5%
\$2,000,000 or More	55%	62%	91%	51%	79%	69%	64%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	118	77	47	96	52	61	476
10th Percentile	\$1,000,000	\$1,000,000	\$1,700,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
25th Percentile	\$1,000,000	\$1,000,000	\$2,000,000	\$1,000,000	\$2,000,000	\$1,500,000	\$1,000,000
Median	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000
75th Percentile	\$2,000,000	\$2,000,000	\$2,625,000	\$2,000,000	\$2,500,000	\$2,000,000	\$2,000,000
90th Percentile	\$3,400,000	\$3,600,000	\$5,000,000	\$2,200,000	\$5,000,000	\$4,800,000	\$5,000,000

**Individual Deductible (PPO Plans, In-Network)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None	14%	14%	27%	43%	24%	25%	24%
Less than \$100	0%	0%	1%	0%	0%	0%	*
\$100 but Less than \$200	11%	14%	11%	10%	10%	8%	10%
\$200 but Less than \$300	27%	21%	30%	18%	27%	26%	25%
\$300 but Less than \$400	20%	18%	12%	12%	18%	20%	17%
\$400 or More	28%	34%	19%	18%	21%	20%	24%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	151	111	83	113	78	84	660
10th Percentile	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
25th Percentile	\$ 188	\$ 150	\$ 0	\$ 0	\$ 50	\$ 0	\$ 100
Median	\$ 250	\$ 300	\$ 250	\$ 150	\$ 250	\$ 250	\$ 250
75th Percentile	\$ 463	\$ 500	\$ 300	\$ 300	\$ 300	\$ 300	\$ 350
90th Percentile	\$ 1,000	\$ 750	\$ 500	\$ 500	\$ 760	\$ 500	\$ 600

\* Less than 0.5%

**Individual Deductible (POS Plans, In-Network)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None	50%	45%	60%	75%	53%	30%	57%
\$200 or Less	30%	25%	10%	9%	37%	40%	20%
More than \$200	20%	30%	30%	16%	11%	30%	22%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	10	20	20	32	19	10	122
10th Percentile	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
25th Percentile	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Median	\$ 0	\$ 100	\$ 0	\$ 0	\$ 0	\$ 150	\$ 0
75th Percentile	\$ 100	\$ 250	\$ 250	\$ 0	\$ 163	\$ 225	\$ 200
90th Percentile	\$ 400	\$ 300	\$ 500	\$ 290	\$ 205	\$ 300	\$ 300

**Individual Deductible (HMO Plans)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None	83%	90%	86%	87%	85%	94%	88%
Plan Has a Deductible	17%	10%	14%	13%	15%	6%	12%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	23	29	36	76	26	17	242
10th Percentile	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
25th Percentile	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Median	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
75th Percentile	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
90th Percentile	\$ 150	\$ 10	\$ 170	\$ 170	\$ 100	\$ 0	\$ 100

**Family Deductible (PPO Plans, In-network - Only Includes Employers with an Individual Deductible)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
No Maximum (Not Included in Percentiles)	2%	2%	0%	0%	3%	6%	2%
Less than \$400	8%	10%	16%	13%	12%	10%	11%
\$400 but Less than \$600	22%	10%	23%	23%	24%	22%	20%
\$600 but Less than \$800	31%	29%	28%	27%	25%	30%	29%
\$800 but Less than \$1,000	8%	6%	7%	5%	10%	10%	8%
\$1,000 or More	29%	42%	26%	33%	25%	22%	30%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	130	96	61	64	59	63	499
10th Percentile	\$ 400	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300
25th Percentile	\$ 500	\$ 600	\$ 500	\$ 400	\$ 500	\$ 500	\$ 500
Median	\$ 675	\$ 750	\$ 600	\$ 600	\$ 600	\$ 675	\$ 700
75th Percentile	\$ 1,000	\$ 1,200	\$ 975	\$ 1,000	\$ 975	\$ 900	\$ 1,000
90th Percentile	\$ 2,295	\$ 1,920	\$ 1,500	\$ 1,500	\$ 2,490	\$ 1,550	\$ 2,000

**Family Deductible (POS Plans, In-network - Only Includes Employers with an Individual Deductible)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
No Maximum (Not Included in Percentiles)	NA	9%	NA	NA	NA	NA	6%
Less than \$500	NA	27%	NA	NA	NA	NA	37%
\$500 or More	NA	64%	NA	NA	NA	NA	58%
No Response	NA	0%	NA	NA	NA	NA	0%
Number of Plans	5	11	8	8	9	7	52
10th Percentile	NA	\$ 300	NA	NA	NA	NA	\$ 200
25th Percentile	NA	\$ 350	NA	NA	NA	NA	\$ 300
Median	NA	\$ 500	NA	NA	NA	NA	\$ 500
75th Percentile	NA	\$ 800	NA	NA	NA	NA	\$ 863
90th Percentile	NA	\$ 900	NA	NA	NA	NA	\$ 1,230

NA — Less than 10 employers, values suppressed.

**Family Deductible (HMO Plans - Only Includes Employers with an Individual Deductible)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
No Maximum (Not Included in Percentiles)	NA	NA	NA	10%	NA	NA	7%
Plan Has a Family Maximum	NA	NA	NA	90%	NA	NA	93%
No Response	NA	NA	NA	0%	NA	NA	0%
Number of Plans	4	3	5	10	4	1	29
10th Percentile	NA	NA	NA	NA	NA	NA	\$ 200
25th Percentile	NA	NA	NA	NA	NA	NA	\$ 300
Median	NA	NA	NA	NA	NA	NA	\$ 475
75th Percentile	NA	NA	NA	NA	NA	NA	\$ 788
90th Percentile	NA	NA	NA	NA	NA	NA	\$ 2,000

NA — Less than 10 employers, values suppressed.

**Individual Maximum Out-of-Pocket Expense (PPO Plans, In-Network)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
No Maximum (Not Included in Percentiles)	6%	5%	19%	17%	14%	17%	12%
Less than \$1,000	7%	6%	13%	11%	4%	11%	8%
\$1,000 but Less than \$1,500	23%	18%	27%	19%	14%	19%	20%
\$1,500 but Less than \$2,000	23%	18%	24%	14%	23%	21%	21%
\$2,000 but Less than \$2,500	19%	22%	10%	15%	24%	14%	18%
\$2,500 or More	24%	31%	7%	25%	21%	18%	22%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	151	111	83	113	78	84	660
10th Percentile	\$ 1,000	\$ 1,000	\$ 735	\$ 750	\$ 1,000	\$ 750	\$ 1,000
25th Percentile	\$ 1,200	\$ 1,288	\$ 1,000	\$ 1,000	\$ 1,500	\$ 1,100	\$ 1,119
Median	\$ 1,600	\$ 2,000	\$ 1,425	\$ 1,750	\$ 2,000	\$ 1,500	\$ 1,600
75th Percentile	\$ 2,375	\$ 2,500	\$ 1,638	\$ 2,500	\$ 2,225	\$ 2,000	\$ 2,300
90th Percentile	\$ 3,000	\$ 3,500	\$ 2,090	\$ 3,000	\$ 3,000	\$ 2,750	\$ 3,000

**Individual Maximum Out-of-Pocket Expense (POS Plans, In-Network)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
No Maximum (Not Included in Percentiles)	10%	25%	40%	47%	37%	10%	37%
Less than \$1,000	10%	5%	5%	3%	11%	0%	6%
\$1,000 but Less than \$1,500	40%	20%	10%	19%	5%	10%	15%
\$1,500 but Less than \$2,000	20%	5%	30%	13%	32%	50%	20%
\$2,000 but Less than \$2,500	10%	20%	15%	9%	11%	10%	12%
\$2,500 or More	10%	25%	0%	9%	5%	20%	10%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	10	20	20	32	19	10	122
10th Percentile	NA	\$ 875	\$ 600	\$ 940	\$ 900	NA	\$ 970
25th Percentile	NA	\$ 1,000	\$ 1,000	\$ 1,025	\$ 1,000	NA	\$ 1,000
Median	NA	\$ 2,000	\$ 1,500	\$ 1,500	\$ 1,500	NA	\$ 1,500
75th Percentile	NA	\$ 2,500	\$ 1,500	\$ 2,000	\$ 1,800	NA	\$ 2,000
90th Percentile	NA	\$ 3,000	\$ 2,200	\$ 3,000	\$ 2,000	NA	\$ 2,650

NA — Less than 10 employers, values suppressed.

**Individual Maximum Out-of-Pocket Expense (HMO Plans)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
No Maximum (Not Included in Percentiles)	52%	31%	31%	54%	62%	47%	45%
Less than \$1,000	22%	3%	6%	5%	12%	6%	7%
\$1,000 but Less than \$1,500	4%	14%	19%	8%	8%	18%	13%
\$1,500 but Less than \$2,000	22%	24%	22%	21%	12%	18%	22%
\$2,000 but Less than \$2,500	0%	10%	19%	7%	4%	6%	7%
\$2,500 or More	0%	17%	3%	5%	4%	6%	6%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	23	29	36	76	26	17	242
10th Percentile	\$ 500	\$ 1,000	\$ 750	\$ 775	\$ 500	NA	\$ 750
25th Percentile	\$ 500	\$ 1,000	\$ 1,000	\$ 1,000	\$ 550	NA	\$ 1,000
Median	\$ 850	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,300	NA	\$ 1,500
75th Percentile	\$ 1,500	\$ 2,000	\$ 2,000	\$ 1,625	\$ 1,500	NA	\$ 1,500
90th Percentile	\$ 1,500	\$ 3,000	\$ 2,000	\$ 2,250	\$ 2,000	NA	\$ 2,350

NA — Less than 10 employers, values suppressed.

**Family Maximum Out-of-Pocket Expense (PPO Plans, In-Network - Only Includes Employers with an Individual OOP)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
No Maximum (Not Included in Percentiles)	1%	6%	6%	6%	6%	6%	5%
Less than \$1,500	6%	6%	7%	5%	1%	7%	6%
\$1,500 but Less than \$2,000	4%	5%	13%	6%	1%	6%	5%
\$2,000 but Less than \$2,500	13%	9%	10%	12%	9%	13%	11%
\$2,500 but Less than \$3,500	25%	17%	24%	16%	27%	27%	23%
\$3,500 or More	51%	58%	39%	54%	55%	41%	50%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	142	105	67	94	67	70	579
10th Percentile	\$ 1,910	\$ 1,730	\$ 1,500	\$ 1,500	\$ 2,000	\$ 1,500	\$ 1,600
25th Percentile	\$ 2,500	\$ 3,000	\$ 2,000	\$ 2,300	\$ 3,000	\$ 2,400	\$ 2,500
Median	\$ 3,550	\$ 4,000	\$ 3,000	\$ 4,000	\$ 3,875	\$ 3,000	\$ 3,600
75th Percentile	\$ 5,000	\$ 6,000	\$ 4,000	\$ 5,500	\$ 5,000	\$ 4,550	\$ 5,000
90th Percentile	\$ 7,000	\$ 7,050	\$ 5,000	\$ 7,500	\$ 6,000	\$ 6,000	\$ 6,750

**Family Maximum Out-of-Pocket Expense (POS Plans, In-Network - Only Includes Employers with an Individual OOP)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
No Maximum (Not Included in Percentiles)	NA	7%	25%	12%	0%	NA	9%
Less than \$1,500	NA	0%	0%	0%	0%	NA	0%
\$1,500 but Less than \$2,000	NA	7%	0%	0%	17%	NA	5%
\$2,000 but Less than \$2,500	NA	20%	8%	6%	8%	NA	12%
\$2,500 but Less than \$3,500	NA	7%	42%	59%	42%	NA	38%
\$3,500 or More	NA	60%	25%	24%	33%	NA	36%
No Response	NA	0%	0%	0%	0%	NA	0%
Number of Plans	9	15	12	17	12	9	77
10th Percentile	NA	\$ 1,700	NA	\$ 2,450	\$ 1,800	NA	\$ 2,000
25th Percentile	NA	\$ 2,000	NA	\$ 3,000	\$ 2,000	NA	\$ 3,000
Median	NA	\$ 4,000	NA	\$ 3,000	\$ 3,000	NA	\$ 3,000
75th Percentile	NA	\$ 4,500	NA	\$ 3,475	\$ 3,600	NA	\$ 4,000
90th Percentile	NA	\$ 6,000	NA	\$ 4,000	\$ 4,000	NA	\$ 5,000

NA — Less than 10 employers, values suppressed.

**Family Maximum Out-of-Pocket Expense (HMO Plans - Only Includes Employers with an Individual OOP)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
No Maximum (Not Included in Percentiles)	0%	5%	8%	3%	0%	NA	5%
Less than \$2,500	45%	20%	20%	26%	30%	NA	26%
\$2,500 or More	55%	75%	72%	71%	70%	NA	70%
No Response	0%	0%	0%	0%	0%	NA	0%
Number of Plans	11	20	25	35	10	9	133
10th Percentile	\$ 1,000	\$ 1,950	\$ 2,000	\$ 2,000	\$ 750	NA	\$ 1,850
25th Percentile	\$ 1,000	\$ 2,750	\$ 2,813	\$ 2,325	\$ 1,250	NA	\$ 2,250
Median	\$ 2,100	\$ 3,500	\$ 3,000	\$ 3,000	\$ 3,000	NA	\$ 3,000
75th Percentile	\$ 3,075	\$ 5,125	\$ 4,000	\$ 4,000	\$ 3,450	NA	\$ 4,000
90th Percentile	\$ 4,380	\$ 6,000	\$ 4,000	\$ 4,800	\$ 6,000	NA	\$ 5,000

NA — Less than 10 employers, values suppressed.

**Copayments (PPO Plans)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None	20%	16%	14%	12%	24%	21%	18%
Physician Primary Care Visits	68%	80%	78%	79%	74%	76%	76%
Emergency Room Visits	65%	55%	72%	75%	65%	60%	66%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	151	111	83	113	78	84	660

**Copayments (POS Plans)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None	10%	10%	10%	6%	0%	30%	9%
Physician Primary Care Visits	90%	90%	90%	94%	100%	70%	91%
Emergency Room Visits	90%	90%	80%	91%	100%	60%	88%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	10	20	20	32	19	10	122

**Copayments (HMO Plans)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None	0%	3%	3%	3%	0%	0%	2%
Physician Primary Care Visits	100%	97%	97%	97%	100%	100%	98%
Emergency Room Visits	91%	97%	94%	95%	96%	94%	95%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	23	29	36	76	26	17	242

**Amount of Physician Primary Care Copayment (PPO Plans)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None (Not Included in Percentiles)	32%	20%	22%	21%	26%	24%	24%
\$5 or Less	0%	0%	0%	2%	0%	0%	*
\$6 to \$10	4%	6%	4%	14%	6%	10%	8%
\$11 to \$15	22%	20%	30%	27%	26%	29%	25%
More than \$15	42%	54%	45%	35%	42%	38%	43%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	151	111	83	113	78	84	660
10th Percentile	\$ 15	\$ 15	\$ 15	\$ 10	\$ 14	\$ 10	\$ 10
25th Percentile	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15
Median	\$ 20	\$ 20	\$ 20	\$ 15	\$ 20	\$ 15	\$ 20
75th Percentile	\$ 20	\$ 20	\$ 20	\$ 20	\$ 20	\$ 20	\$ 20
90th Percentile	\$ 25	\$ 25	\$ 25	\$ 25	\$ 20	\$ 25	\$ 25

\* Less than 0.5%

**Amount of Physician Primary Care Copayment (POS Plans)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None (Not Included in Percentiles)	10%	10%	10%	6%	0%	30%	9%
\$5 or Less	0%	0%	5%	6%	5%	0%	3%
\$6 to \$10	10%	0%	0%	25%	16%	10%	14%
\$11 to \$15	30%	35%	50%	38%	37%	10%	36%
More than \$15	50%	55%	35%	25%	42%	50%	38%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	10	20	20	32	19	10	122
10th Percentile	NA	\$ 15	\$ 13	\$ 10	\$ 10	NA	\$ 10
25th Percentile	NA	\$ 15	\$ 15	\$ 10	\$ 14	NA	\$ 15
Median	NA	\$ 20	\$ 15	\$ 15	\$ 15	NA	\$ 15
75th Percentile	NA	\$ 20	\$ 20	\$ 18	\$ 20	NA	\$ 20
90th Percentile	NA	\$ 26	\$ 21	\$ 25	\$ 21	NA	\$ 25

NA — Less than 10 employers, values suppressed.

**Amount of Physician Primary Care Copayment (HMO Plans)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None (Not Included in Percentiles)	0%	3%	3%	3%	0%	0%	2%
\$5 or Less	0%	0%	3%	3%	0%	6%	2%
\$6 to \$10	13%	17%	6%	32%	8%	29%	19%
\$11 to \$15	30%	48%	39%	26%	46%	47%	38%
More than \$15	57%	31%	50%	37%	46%	18%	39%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	23	29	36	76	26	17	242
10th Percentile	\$ 10	\$ 10	\$ 13	\$ 10	\$ 13	\$ 9	\$ 10
25th Percentile	\$ 15	\$ 15	\$ 15	\$ 10	\$ 15	\$ 10	\$ 15
Median	\$ 20	\$ 15	\$ 18	\$ 15	\$ 15	\$ 15	\$ 15
75th Percentile	\$ 20	\$ 20	\$ 20	\$ 20	\$ 20	\$ 15	\$ 20
90th Percentile	\$ 20	\$ 20	\$ 20	\$ 25	\$ 25	\$ 20	\$ 20

**Blended Overall Coinsurance Percentage (PPO Plans, In-Network)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
80% or Less	17%	20%	7%	7%	6%	8%	12%
81% to 89%	37%	33%	19%	19%	26%	24%	27%
90% but Less than 100%	36%	38%	52%	35%	45%	43%	40%
100%	11%	9%	22%	39%	23%	25%	21%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	151	111	83	113	78	84	660
10th Percentile	80%	80%	84%	81%	84%	84%	80%
25th Percentile	84%	84%	88%	89%	86%	88%	85%
Median	89%	88%	92%	94%	92%	92%	92%
75th Percentile	92%	92%	94%	100%	95%	97%	95%
90th Percentile	100%	93%	100%	100%	100%	100%	100%

**Blended Overall Coinsurance Percentage (POS Plans, In-Network)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
80% or Less	0%	0%	5%	3%	0%	20%	4%
81% to 89%	30%	25%	10%	13%	21%	40%	19%
90% but Less than 100%	50%	40%	35%	19%	47%	30%	32%
100%	20%	35%	50%	66%	32%	10%	45%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	10	20	20	32	19	10	122
10th Percentile	81%	85%	84%	85%	85%	80%	85%
25th Percentile	85%	88%	92%	92%	90%	82%	90%
Median	92%	92%	99%	100%	95%	85%	95%
75th Percentile	96%	100%	100%	100%	100%	91%	100%
90th Percentile	100%	100%	100%	100%	100%	92%	100%

**Blended Overall Coinsurance Percentage (HMO Plans)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Less than 100%	35%	24%	19%	13%	27%	24%	18%
100%	65%	76%	81%	87%	73%	76%	82%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	23	29	36	76	26	17	242
10th Percentile	92%	89%	92%	92%	92%	93%	92%
25th Percentile	93%	97%	100%	100%	96%	95%	100%
Median	100%	100%	100%	100%	100%	100%	100%
75th Percentile	100%	100%	100%	100%	100%	100%	100%
90th Percentile	100%	100%	100%	100%	100%	100%	100%

**Amount of Increase in Individual Deductible from In-Network Benefit to Out-of-Network Benefit (PPO Plans)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None	23%	27%	27%	26%	29%	29%	26%
Less than \$150	5%	6%	1%	8%	3%	4%	5%
\$150 but Less than \$300	29%	21%	33%	24%	28%	29%	27%
\$300 but Less than \$500	23%	14%	18%	12%	21%	14%	18%
\$500 or More	21%	32%	22%	30%	19%	25%	24%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	151	111	83	113	78	84	660
10th Percentile	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
25th Percentile	\$ 100	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Median	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250
75th Percentile	\$ 400	\$ 500	\$ 363	\$ 500	\$ 300	\$ 400	\$ 450
90th Percentile	\$ 745	\$ 750	\$ 685	\$ 1,000	\$ 520	\$ 500	\$ 750

**Amount of Increase in Individual Deductible from In-Network Benefit to Out-of-Network Benefit (POS Plans)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None	10%	10%	10%	25%	5%	20%	14%
Less than \$150	0%	5%	0%	0%	0%	0%	2%
\$150 but Less than \$300	20%	25%	25%	19%	16%	40%	22%
\$300 but Less than \$500	50%	40%	10%	13%	47%	10%	27%
\$500 or More	20%	20%	55%	44%	32%	30%	35%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	10	20	20	32	19	10	122
10th Percentile	\$ 0	\$ 0	\$ 0	\$ 0	\$ 180	\$ 0	\$ 0
25th Percentile	\$ 200	\$ 200	\$ 250	\$ 0	\$ 288	\$ 75	\$ 200
Median	\$ 300	\$ 300	\$ 500	\$ 300	\$ 400	\$ 250	\$ 300
75th Percentile	\$ 350	\$ 350	\$ 600	\$ 500	\$ 513	\$ 450	\$ 500
90th Percentile	\$ 800	\$ 500	\$ 1,000	\$ 720	\$ 1,100	\$ 600	\$ 790

**Amount of Increase in Individual Out-of-Pocket Limit from In-Network Benefit to Out-of-Network Benefit (PPO Plans)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None	17%	24%	13%	32%	19%	15%	20%
Less than \$1,000	11%	5%	11%	3%	9%	14%	8%
\$1,000 but Less than \$2,000	36%	30%	40%	23%	21%	32%	31%
\$2,000 or More	37%	41%	36%	42%	51%	38%	41%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	151	111	83	113	78	84	660
10th Percentile	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
25th Percentile	\$ 800	\$ 375	\$ 994	\$ 0	\$ 600	\$ 750	\$ 750
Median	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 2,000	\$ 1,500	\$ 1,500
75th Percentile	\$ 2,000	\$ 2,500	\$ 2,100	\$ 2,875	\$ 2,500	\$ 2,275	\$ 2,500
90th Percentile	\$ 3,000	\$ 4,180	\$ 3,000	\$ 6,525	\$ 4,000	\$ 3,420	\$ 3,750

**Amount of Increase in Individual Out-of-Pocket Limit from In-Network Benefit to Out-of-Network Benefit (POS Plans)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None	0%	5%	5%	28%	0%	10%	11%
Less than \$1,000	10%	15%	10%	0%	5%	10%	7%
\$1,000 but Less than \$2,000	50%	30%	50%	34%	32%	30%	36%
\$2,000 or More	40%	50%	35%	38%	63%	50%	46%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	10	20	20	32	19	10	122
10th Percentile	\$ 800	\$ 500	\$ 750	\$ 0	\$ 980	\$ 0	\$ 0
25th Percentile	\$ 1,100	\$ 1,000	\$ 1,000	\$ 0	\$ 1,688	\$ 750	\$ 1,000
Median	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,300	\$ 2,000	\$ 1,500	\$ 1,600
75th Percentile	\$ 2,500	\$ 2,500	\$ 3,500	\$ 2,000	\$ 3,000	\$ 2,750	\$ 3,000
90th Percentile	\$ 4,000	\$ 3,000	\$ 6,000	\$ 3,480	\$ 4,050	\$ 3,000	\$ 4,000

**Amount of Decrease in Overall Plan Payment Percentage from In-Network Benefit to Out-of-Network Benefit (PPO Plans)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None	1%	3%	0%	4%	1%	5%	2%
Less than 15%	6%	7%	6%	4%	10%	5%	7%
15% but Less than 20%	17%	11%	16%	7%	13%	8%	12%
20% but Less than 25%	54%	45%	58%	21%	53%	51%	46%
25% or More	22%	34%	20%	65%	23%	31%	33%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	151	111	83	113	78	84	660
10th Percentile	15%	13%	15%	17%	13%	14%	15%
25th Percentile	20%	20%	20%	21%	20%	20%	20%
Median	21%	23%	21%	29%	21%	22%	22%
75th Percentile	24%	28%	23%	38%	24%	25%	28%
90th Percentile	30%	32%	30%	46%	32%	29%	34%

**Amount of Decrease in Overall Plan Payment Percentage from In-Network Benefit to Out-of-Network Benefit (POS Plans)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None	0%	0%	0%	6%	0%	0%	2%
Less than 15%	0%	0%	0%	3%	5%	10%	6%
15% but Less than 20%	20%	20%	5%	22%	21%	20%	18%
20% but Less than 25%	70%	50%	45%	13%	26%	20%	34%
25% but Less than 30%	0%	20%	30%	25%	21%	20%	20%
30% or More	10%	10%	20%	31%	26%	30%	21%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	10	20	20	32	19	10	122
10th Percentile	15%	18%	20%	5%	15%	10%	15%
25th Percentile	20%	20%	20%	19%	19%	17%	19%
Median	21%	23%	24%	25%	23%	23%	23%
75th Percentile	24%	25%	29%	32%	29%	30%	29%
90th Percentile	24%	29%	30%	46%	38%	30%	35%

**Disease Management Program**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Yes	61%	61%	64%	52%	63%	54%	58%
No	30%	33%	24%	33%	28%	32%	31%
No Response	9%	6%	12%	14%	10%	14%	11%
Number of Plans	186	160	139	224	123	113	1,034

**Dental**

**Dental Coverage Available**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Yes	100%	100%	100%	99%	100%	99%	100%
No	0%	0%	0%	1%	0%	1%	*
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	186	160	139	224	123	113	1,034

\* Less than 0.5%

**Eligibility for Coverage**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Immediate	44%	34%	42%	10%	69%	71%	40%
One Month or Less	40%	38%	50%	66%	28%	28%	45%
Two Months	6%	8%	1%	5%	0%	0%	4%
Three Months	7%	14%	6%	14%	2%	2%	8%
More than Three Months	3%	6%	1%	4%	1%	0%	3%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	186	160	139	222	123	112	1,030
10th Percentile	0	0	0	0	0	0	0
25th Percentile	0	0	0	1	0	0	0
Median	1	1	1	1	0	0	1
75th Percentile	1	2	1	1	1	1	1
90th Percentile	2	3	1	3	1	1	3

**Monthly Employee Dental Contributions for Employee Only Coverage**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Included in Medical Contributions (Not Included in Percentiles)	6%	7%	5%	3%	2%	4%	5%
None	11%	12%	9%	15%	9%	19%	14%
Less than \$5	11%	5%	4%	9%	7%	5%	7%
\$5 but Less than \$10	40%	26%	24%	24%	41%	36%	30%
\$10 but Less than \$15	17%	24%	22%	19%	24%	23%	21%
\$15 but Less than \$20	6%	11%	17%	13%	8%	4%	10%
\$20 or More	8%	14%	16%	16%	9%	9%	13%
No Response	0%	1%	2%	*	0%	0%	1%
Number of Plans	186	160	139	222	123	112	1,030
10th Percentile	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1	\$ 0	\$ 0
25th Percentile	\$ 5	\$ 6	\$ 7	\$ 5	\$ 6	\$ 4	\$ 5
Median	\$ 7	\$ 10	\$ 11	\$ 10	\$ 8	\$ 7	\$ 9
75th Percentile	\$ 11	\$ 15	\$ 17	\$ 16	\$ 12	\$ 11	\$ 14
90th Percentile	\$ 17	\$ 23	\$ 23	\$ 25	\$ 19	\$ 17	\$ 22

\* Less than 0.5%

**Monthly Employee Dental Contributions for Employee Plus Two or More Coverage**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Included in Medical Contributions (Not Included in Percentiles)	6%	7%	5%	3%	2%	4%	5%
None	9%	8%	6%	8%	7%	9%	9%
Less than \$20	26%	12%	7%	16%	19%	20%	17%
\$20 but Less than \$30	28%	17%	18%	14%	24%	25%	20%
\$30 but Less than \$40	15%	18%	16%	14%	20%	21%	16%
\$40 but Less than \$50	6%	13%	16%	14%	11%	6%	11%
\$50 or More	9%	24%	29%	31%	19%	15%	22%
No Response	0%	1%	2%	*	0%	0%	1%
Number of Plans	186	160	139	222	123	112	1,030
10th Percentile	\$ 2	\$ 5	\$ 8	\$ 8	\$ 12	\$ 5	\$ 6
25th Percentile	\$ 15	\$ 21	\$ 25	\$ 19	\$ 19	\$ 18	\$ 19
Median	\$ 23	\$ 34	\$ 38	\$ 37	\$ 30	\$ 27	\$ 30
75th Percentile	\$ 33	\$ 51	\$ 52	\$ 54	\$ 42	\$ 37	\$ 48
90th Percentile	\$ 49	\$ 71	\$ 72	\$ 78	\$ 60	\$ 63	\$ 71

\* Less than 0.5%

**Percent of Employee Only Dental Premium Paid by Employee**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Included in Medical Contributions (Not Included in Percentiles)	6%	7%	5%	3%	2%	4%	5%
None (Employer Pays Full Cost)	11%	12%	9%	15%	9%	19%	14%
Less than 25%	35%	22%	18%	23%	38%	32%	27%
25% but Less than 33%	16%	14%	20%	9%	24%	21%	16%
33% but Less than 50%	15%	21%	15%	14%	15%	12%	15%
50% but Less than 100%	10%	15%	20%	23%	7%	6%	14%
100% (Employee Pays Full Cost)	6%	9%	10%	11%	5%	6%	9%
No Response	1%	1%	2%	1%	0%	0%	1%
Number of Plans	186	160	139	222	123	112	1,030
Average	30.6%	37.6%	40.2%	39.5%	28.8%	27.4%	34.5%
10th Percentile	0.0%	0.0%	0.0%	0.0%	1.6%	0.0%	0.0%
25th Percentile	15.0%	19.0%	20.5%	15.0%	17.0%	14.0%	15.0%
Median	24.0%	31.0%	32.0%	32.5%	25.0%	22.0%	26.5%
75th Percentile	40.0%	50.0%	51.0%	62.0%	34.8%	32.0%	49.0%
90th Percentile	65.1%	91.0%	100.0%	100.0%	51.9%	52.0%	94.7%

**Percent of Employee Plus Two or More Dental Premium Paid by Employee**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Included in Medical Contributions (Not Included in Percentiles)	6%	7%	5%	3%	2%	4%	5%
None (Employer Pays Full Cost)	9%	8%	6%	8%	7%	9%	9%
Less than 25%	34%	19%	15%	15%	36%	31%	23%
25% but Less than 33%	20%	14%	17%	13%	24%	24%	17%
33% but Less than 50%	14%	20%	24%	18%	15%	15%	18%
50% but Less than 100%	10%	23%	19%	30%	13%	8%	19%
100% (Employee Pays Full Cost)	6%	9%	12%	12%	4%	9%	9%
No Response	1%	1%	2%	1%	0%	0%	1%
Number of Plans	186	160	139	222	123	112	1,030
Average	31.5%	41.3%	43.2%	46.8%	31.6%	33.5%	39.2%
10th Percentile	1.5%	6.6%	10.7%	9.0%	10.0%	4.8%	6.0%
25th Percentile	16.3%	22.0%	25.0%	25.0%	19.3%	19.0%	20.0%
Median	25.0%	36.0%	39.0%	41.5%	25.5%	26.0%	31.0%
75th Percentile	37.0%	53.0%	51.8%	68.8%	40.0%	36.0%	51.0%
90th Percentile	69.4%	94.2%	100.0%	100.0%	55.8%	76.4%	98.8%

**Monthly Opt Out Credit**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Included in Medical Contributions (Not Included in Percentiles)	6%	7%	5%	3%	2%	4%	5%
None (Not Included in Percentiles)	83%	84%	87%	80%	91%	78%	83%
Less than \$10	4%	6%	4%	12%	4%	12%	7%
\$10 but Less than \$15	4%	1%	3%	3%	1%	3%	2%
\$15 but Less than \$20	2%	1%	0%	*	0%	2%	1%
\$20 or More	1%	2%	1%	1%	2%	3%	2%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	186	160	139	222	123	112	1,030
10th Percentile	\$ 2	\$ 4	\$ 2	\$ 4	NA	\$ 4	\$ 4
25th Percentile	\$ 5	\$ 5	\$ 5	\$ 5	NA	\$ 5	\$ 5
Median	\$ 11	\$ 8	\$ 6	\$ 7	NA	\$ 7	\$ 8
75th Percentile	\$ 15	\$ 15	\$ 11	\$ 10	NA	\$ 13	\$ 13
90th Percentile	\$ 18	\$ 53	\$ 14	\$ 15	NA	\$ 20	\$ 21

\* Less than 0.5%

NA — Less than 10 employers, values suppressed.

**Individual Dental Deductible**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None	18%	15%	17%	25%	11%	13%	18%
\$25 or Less	18%	16%	18%	24%	14%	25%	20%
More than \$25 but Less than or Equal to \$50	55%	58%	60%	47%	67%	56%	55%
More than \$50	10%	11%	5%	4%	8%	5%	7%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	186	160	139	222	123	112	1,030
10th Percentile	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
25th Percentile	\$ 25	\$ 25	\$ 25	\$ 13	\$ 25	\$ 25	\$ 25
Median	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50
75th Percentile	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50
90th Percentile	\$ 50	\$ 75	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50

**Family Dental Deductible (Only Includes Employers with an Individual Deductible)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
No Family Maximum	17%	21%	17%	22%	10%	31%	20%
\$50 or Less	8%	6%	5%	9%	4%	6%	7%
More than \$50 but Less than or Equal to \$100	33%	21%	24%	29%	25%	26%	27%
More than \$100 but Less than or Equal to \$150	33%	46%	46%	38%	54%	34%	40%
More than \$150	8%	7%	7%	2%	7%	3%	6%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	153	136	115	167	109	97	847
10th Percentile	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
25th Percentile	\$ 50	\$ 50	\$ 75	\$ 50	\$ 100	\$ 0	\$ 50
Median	\$ 100	\$ 150	\$ 150	\$ 100	\$ 150	\$ 75	\$ 100
75th Percentile	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150
90th Percentile	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150

**Coverage for Preventive Procedures**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None	0%	0%	0%	0%	0%	0%	0%
Less than 80%	1%	2%	0%	2%	1%	2%	1%
80%	2%	6%	2%	5%	4%	3%	3%
More than 80% but Less than 100%	3%	2%	3%	3%	4%	2%	3%
100%	95%	91%	95%	91%	91%	94%	92%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	186	160	139	222	123	112	1,030
10th Percentile	100%	100%	100%	100%	100%	100%	100%
25th Percentile	100%	100%	100%	100%	100%	100%	100%
Median	100%	100%	100%	100%	100%	100%	100%
75th Percentile	100%	100%	100%	100%	100%	100%	100%
90th Percentile	100%	100%	100%	100%	100%	100%	100%

**Coverage for Routine Procedures**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None	0%	0%	0%	0%	0%	0%	0%
Less than 80%	11%	7%	10%	9%	7%	9%	10%
80%	73%	78%	71%	69%	80%	71%	72%
More than 80% but Less than 100%	10%	11%	6%	12%	8%	14%	11%
100%	6%	5%	12%	9%	4%	6%	8%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	186	160	139	222	123	112	1,030
10th Percentile	75%	80%	78%	80%	80%	80%	80%
25th Percentile	80%	80%	80%	80%	80%	80%	80%
Median	80%	80%	80%	80%	80%	80%	80%
75th Percentile	80%	80%	80%	80%	80%	80%	80%
90th Percentile	90%	90%	100%	90%	89%	90%	90%

**Coverage for Major Procedures**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
50% or Less	66%	73%	68%	65%	68%	64%	67%
More than 50% but Less than or Equal to 60%	9%	15%	20%	14%	16%	21%	15%
More than 60%	25%	13%	12%	20%	15%	15%	17%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	186	160	139	222	123	112	1,030
10th Percentile	50%	50%	50%	50%	50%	50%	50%
25th Percentile	50%	50%	50%	50%	50%	50%	50%
Median	50%	50%	50%	50%	50%	50%	50%
75th Percentile	63%	60%	60%	60%	60%	60%	60%
90th Percentile	80%	70%	75%	80%	70%	70%	76%

**Annual Benefit Limits per Individual**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
No Annual Limit	2%	2%	3%	6%	0%	1%	3%
Less than \$1,000	2%	1%	3%	2%	0%	2%	2%
\$1,000	18%	16%	23%	26%	15%	11%	20%
More than \$1,000 but Less than \$1,500	14%	4%	8%	14%	8%	15%	11%
\$1,500 or More	64%	77%	63%	52%	77%	71%	65%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	186	160	139	222	123	112	1,030
10th Percentile	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
25th Percentile	\$ 1,200	\$ 1,500	\$ 1,000	\$ 1,000	\$ 1,500	\$ 1,250	\$ 1,100
Median	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500
75th Percentile	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 2,000	\$ 2,000	\$ 1,500
90th Percentile	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000

**Orthodontic Benefits Provided**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Yes	89%	91%	88%	89%	93%	95%	90%
No	11%	9%	12%	11%	7%	5%	10%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	186	160	139	222	123	112	1,030

**Maximum Lifetime Orthodontic Benefit per Individual**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
No Maximum (Not Included in Percentiles)	2%	3%	4%	5%	2%	2%	3%
Less than \$1,000	1%	2%	1%	4%	0%	3%	2%
\$1,000	21%	23%	30%	28%	24%	17%	25%
More than \$1,000 but Less than or Equal to \$1,500	48%	47%	47%	43%	48%	54%	46%
More than \$1,500	27%	24%	18%	21%	26%	25%	23%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	165	146	123	197	115	106	923
10th Percentile	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
25th Percentile	\$ 1,250	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,050	\$ 1,500	\$ 1,000
Median	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500
75th Percentile	\$ 1,738	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,938	\$ 1,500	\$ 1,500
90th Percentile	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000

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## Life Insurance

**Life Insurance Coverage**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
No coverage	1%	1%	1%	*	0%	0%	*
Multiple of Pay	92%	91%	93%	88%	93%	96%	91%
Flat Dollar Amount	8%	8%	6%	11%	7%	4%	8%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	186	160	139	224	123	113	1,034

\* Less than 0.5%

**Employee Contributions Required**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Yes	1%	4%	4%	4%	5%	3%	4%
No	99%	96%	96%	96%	95%	97%	96%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	185	159	138	223	123	113	1,029

**Amount of Life Insurance Coverage (Multiple of Pay Plans)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Less than 1 Times Pay	0%	1%	0%	0%	0%	1%	1%
1 Times Pay but Less than 1.5 Times Pay	37%	45%	49%	65%	39%	47%	48%
1.5 Times Pay but Less than 2 Times Pay	19%	17%	8%	12%	7%	5%	12%
2 Times Pay	39%	34%	34%	21%	45%	44%	34%
More than 2 Times Pay	4%	4%	9%	2%	9%	4%	5%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	171	146	129	198	115	109	943
10th Percentile	1.0	1.0	1.0	1.0	1.0	1.0	1.0
25th Percentile	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Median	1.5	1.5	1.5	1.0	2.0	1.5	1.5
75th Percentile	2.0	2.0	2.0	1.5	2.0	2.0	2.0
90th Percentile	2.0	2.0	2.0	2.0	2.0	2.0	2.0

**Accidental Death and Dismemberment (AD&D) Coverage--Employer Paid**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
No coverage	19%	19%	39%	19%	19%	32%	24%
Multiple of Pay	74%	73%	55%	72%	74%	60%	68%
Flat Dollar Amount	7%	8%	6%	9%	7%	8%	9%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	185	159	138	223	123	113	1,029

**Amount of AD&D Benefit (Plans with AD&D Benefits Based on Multiple of Pay)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Less than 1 Times Pay	1%	2%	1%	0%	0%	0%	1%
1 Times Pay but Less than 1.5 Times Pay	38%	40%	41%	63%	37%	38%	45%
1.5 Times Pay but Less than 2 Times Pay	18%	19%	5%	11%	7%	6%	12%
2 Times Pay	38%	36%	37%	25%	47%	46%	36%
More than 2 Times Pay	5%	3%	16%	1%	9%	10%	7%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	136	116	76	161	91	68	695
10th Percentile	1.0	1.0	1.0	1.0	1.0	1.0	1.0
25th Percentile	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Median	1.5	1.5	2.0	1.0	2.0	2.0	1.5
75th Percentile	2.0	2.0	2.0	1.9	2.0	2.0	2.0
90th Percentile	2.0	2.0	3.0	2.0	2.0	2.2	2.0

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## **Paid Time Off**

**Combined PTO Plan**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
No Combined PTO Plan	80%	79%	64%	19%	67%	85%	64%
PTO Plan Includes Vacation, Holidays, Sick Leave and Personal Days	1%	2%	1%	21%	1%	1%	5%
PTO Plan Includes Vacation, Holidays and Sick Leave	2%	3%	1%	23%	1%	1%	6%
PTO Plan Includes Vacation and Sick Leave	13%	8%	18%	9%	17%	7%	11%
PTO Plan Includes Vacation and Holidays	1%	1%	1%	8%	1%	1%	2%
PTO Plan Includes Other Combination of Plans	4%	8%	15%	20%	13%	5%	11%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	186	160	139	224	123	113	1,034

**Amount of Vacation with 1 Year of Service (Excludes Combined PTO Plans)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None	0%	0%	0%	0%	0%	0%	*
1 to 5 Days	7%	6%	1%	0%	0%	0%	3%
6 to 10 Days	76%	73%	57%	36%	69%	71%	63%
11 to 15 Days	15%	17%	33%	57%	27%	27%	28%
16 to 20 Days	2%	4%	7%	7%	5%	2%	5%
Over 20 Days	0%	0%	2%	0%	0%	0%	1%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	148	127	89	42	83	96	662
10th Percentile	10	10	10	10	10	10	10
25th Percentile	10	10	10	10	10	10	10
Median	10	10	10	15	10	10	10
75th Percentile	10	10	15	15	13	12	15
90th Percentile	15	15	15	15	15	15	15

\* Less than 0.5%

**Amount of Vacation with 5 Years of Service (Excludes Combined PTO Plans)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None	0%	0%	0%	0%	0%	0%	*
1 to 5 Days	1%	0%	0%	0%	0%	0%	*
6 to 10 Days	16%	18%	8%	7%	8%	16%	12%
11 to 15 Days	76%	66%	64%	55%	73%	68%	66%
16 to 20 Days	7%	14%	25%	29%	17%	15%	17%
Over 20 Days	1%	2%	3%	10%	1%	2%	4%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	148	127	89	42	83	96	662
10th Percentile	10	10	12	15	12	10	10
25th Percentile	15	15	15	15	15	15	15
Median	15	15	15	15	15	15	15
75th Percentile	15	15	19	20	15	15	15
90th Percentile	15	18	20	20	18	18	20

\* Less than 0.5%

**Amount of Vacation with 10 Years of Service (Excludes Combined PTO Plans)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None	0%	0%	0%	0%	0%	0%	*
1 to 10 Days	0%	0%	1%	0%	1%	0%	*
11 to 15 Days	52%	38%	38%	19%	36%	41%	37%
16 to 20 Days	46%	55%	53%	67%	52%	49%	52%
21 to 25 Days	2%	6%	4%	10%	11%	9%	9%
Over 25 Days	0%	2%	3%	5%	0%	1%	2%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	148	127	89	42	83	96	662
10th Percentile	15	15	15	15	15	15	15
25th Percentile	15	15	15	20	15	15	15
Median	15	20	19	20	20	20	20
75th Percentile	20	20	20	20	20	20	20
90th Percentile	20	20	20	24	21	20	21

\* Less than 0.5%

**Amount of Vacation with 15 Years of Service (Excludes Combined PTO Plans)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None	0%	0%	0%	0%	0%	0%	*
1 to 10 Days	0%	0%	1%	0%	1%	0%	*
11 to 15 Days	7%	9%	3%	7%	8%	4%	6%
16 to 20 Days	85%	76%	80%	76%	75%	79%	75%
21 to 25 Days	7%	9%	12%	10%	13%	16%	14%
Over 25 Days	1%	5%	3%	7%	2%	1%	4%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	148	127	89	42	83	96	662
10th Percentile	17	16	20	20	16	20	18
25th Percentile	20	20	20	20	20	20	20
Median	20	20	20	20	20	20	20
75th Percentile	20	20	20	20	20	20	20
90th Percentile	20	24	22	25	23	23	24

\* Less than 0.5%

**Amount of Vacation with 20 Years of Service (Excludes Combined PTO Plans)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None	0%	0%	0%	0%	0%	0%	*
1 to 15 Days	2%	2%	2%	5%	5%	2%	3%
16 to 20 Days	57%	64%	69%	62%	52%	44%	54%
21 to 25 Days	39%	28%	22%	26%	40%	47%	36%
26 to 30 Days	2%	5%	6%	7%	4%	6%	6%
Over 30 Days	0%	2%	1%	0%	0%	1%	1%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	148	127	89	42	83	96	662
10th Percentile	20	20	20	20	20	20	20
25th Percentile	20	20	20	20	20	20	20
Median	20	20	20	20	20	23	20
75th Percentile	25	25	22	25	25	25	25
90th Percentile	25	25	25	25	25	25	25

\* Less than 0.5%

**Amount of Vacation with 25 Years of Service (Excludes Combined PTO Plans)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None	0%	0%	0%	0%	0%	0%	*
1 to 15 Days	1%	2%	2%	5%	5%	2%	3%
16 to 20 Days	40%	46%	39%	55%	36%	16%	36%
21 to 25 Days	50%	43%	46%	33%	52%	70%	50%
26 to 30 Days	8%	6%	10%	5%	5%	11%	9%
Over 30 Days	1%	2%	2%	2%	2%	1%	2%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	148	127	89	42	83	96	662
10th Percentile	20	20	20	20	20	20	20
25th Percentile	20	20	20	20	20	25	20
Median	25	22	25	20	25	25	25
75th Percentile	25	25	25	25	25	25	25
90th Percentile	25	25	27	25	25	26	26

\* Less than 0.5%

**Amount of Vacation with 30 Years of Service (Excludes Combined PTO Plans)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None	0%	0%	0%	0%	0%	0%	*
1 to 15 Days	1%	2%	2%	5%	5%	2%	3%
16 to 20 Days	38%	46%	39%	55%	35%	16%	35%
21 to 25 Days	47%	41%	46%	33%	52%	49%	46%
26 to 30 Days	13%	9%	10%	5%	6%	32%	14%
Over 30 Days	1%	2%	2%	2%	2%	1%	2%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	148	127	89	42	83	96	662
10th Percentile	20	20	20	20	20	20	20
25th Percentile	20	20	20	20	20	25	20
Median	25	24	25	20	25	25	25
75th Percentile	25	25	25	25	25	30	25
90th Percentile	28	26	27	25	25	30	30

\* Less than 0.5%

**Amount of Vacation with 1 Year of Service (Only Combined PTO Plans)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None	0%	3%	0%	0%	0%	0%	*
1 to 15 Days	63%	15%	18%	5%	35%	29%	18%
16 to 20 Days	11%	39%	26%	32%	28%	35%	28%
21 to 25 Days	16%	33%	22%	35%	13%	12%	27%
26 to 30 Days	11%	9%	30%	19%	13%	18%	19%
Over 30 Days	0%	0%	4%	9%	13%	6%	8%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	38	33	50	182	40	17	372
10th Percentile	10	10	15	16	15	11	14
25th Percentile	10	17	18	19	15	15	17
Median	14	19	22	23	18	20	22
75th Percentile	21	23	26	27	25	24	26
90th Percentile	25	25	29	30	31	26	30

\* Less than 0.5%

**Amount of Vacation with 5 Years of Service (Only Combined PTO Plans)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None	0%	3%	0%	0%	0%	0%	*
1 to 15 Days	39%	9%	4%	1%	5%	12%	7%
16 to 20 Days	26%	12%	18%	9%	40%	29%	16%
21 to 25 Days	8%	33%	34%	34%	20%	24%	28%
26 to 30 Days	24%	36%	10%	32%	15%	18%	26%
Over 30 Days	3%	6%	34%	24%	20%	18%	22%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	38	33	50	182	40	17	372
10th Percentile	15	15	20	20	17	15	18
25th Percentile	15	20	21	23	20	20	21
Median	18	24	25	27	21	24	25
75th Percentile	26	28	31	30	30	28	30
90th Percentile	29	30	33	35	31	32	34

\* Less than 0.5%

**Amount of Vacation with 10 Years of Service (Only Combined PTO Plans)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None	0%	3%	0%	0%	0%	0%	*
1 to 15 Days	26%	3%	2%	0%	3%	6%	4%
16 to 25 Days	45%	21%	34%	20%	53%	47%	29%
26 to 30 Days	11%	48%	20%	35%	15%	18%	28%
31 to 35 Days	16%	18%	24%	30%	13%	18%	24%
Over 35 Days	3%	6%	20%	15%	18%	12%	15%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	38	33	50	182	40	17	372
10th Percentile	15	20	21	23	20	19	20
25th Percentile	15	23	24	27	21	20	24
Median	20	28	30	30	25	24	29
75th Percentile	26	30	34	34	31	32	34
90th Percentile	32	35	36	36	36	35	36

\* Less than 0.5%

**Amount of Vacation with 15 Years of Service (Only Combined PTO Plans)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None	0%	3%	0%	0%	0%	0%	*
1 to 20 Days	39%	12%	4%	3%	10%	12%	9%
21 to 25 Days	26%	9%	10%	9%	38%	24%	15%
26 to 30 Days	8%	36%	40%	31%	18%	29%	28%
31 to 35 Days	18%	27%	12%	37%	15%	18%	27%
Over 35 Days	8%	12%	34%	20%	20%	18%	22%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	38	33	50	182	40	17	372
10th Percentile	20	20	25	25	20	20	21
25th Percentile	20	25	27	28	25	25	26
Median	24	30	30	32	26	29	30
75th Percentile	31	33	36	35	34	34	35
90th Percentile	34	36	39	39	37	36	39

\* Less than 0.5%

**Amount of Vacation with 20 Years of Service (Only Combined PTO Plans)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None	0%	3%	0%	0%	0%	0%	*
1 to 25 Days	58%	15%	8%	9%	38%	35%	19%
26 to 30 Days	13%	27%	44%	25%	28%	12%	26%
31 to 35 Days	16%	33%	10%	37%	8%	18%	26%
36 to 40 Days	8%	21%	24%	23%	18%	35%	21%
Over 40 Days	5%	0%	14%	6%	10%	0%	8%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	38	33	50	182	40	17	372
10th Percentile	20	20	26	26	20	20	23
25th Percentile	20	27	28	29	25	25	27
Median	25	31	30	33	28	31	32
75th Percentile	31	35	37	36	36	36	36
90th Percentile	37	38	41	39	40	39	40

\* Less than 0.5%

**Amount of Vacation with 25 Years of Service (Only Combined PTO Plans)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None	0%	3%	0%	0%	0%	0%	*
1 to 25 Days	53%	15%	4%	9%	38%	29%	17%
26 to 30 Days	16%	27%	34%	24%	23%	6%	23%
31 to 35 Days	13%	24%	14%	35%	5%	29%	25%
36 to 40 Days	13%	30%	20%	25%	23%	24%	23%
Over 40 Days	5%	0%	28%	7%	13%	12%	11%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	38	33	50	182	40	17	372
10th Percentile	20	20	27	26	21	25	25
25th Percentile	23	27	30	30	25	25	28
Median	25	32	33	33	29	33	33
75th Percentile	33	36	41	36	36	36	37
90th Percentile	39	38	41	39	41	41	41

\* Less than 0.5%

**Amount of Vacation with 30 Years of Service (Only Combined PTO Plans)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None	0%	3%	0%	0%	0%	0%	*
1 to 25 Days	45%	15%	4%	9%	38%	29%	16%
26 to 30 Days	24%	27%	34%	24%	23%	12%	24%
31 to 35 Days	13%	24%	14%	36%	5%	12%	25%
36 to 40 Days	13%	30%	22%	25%	20%	35%	23%
Over 40 Days	5%	0%	26%	7%	15%	12%	11%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	38	33	50	182	40	17	372
10th Percentile	20	20	27	26	21	25	25
25th Percentile	23	27	30	30	25	25	28
Median	27	32	33	33	29	32	33
75th Percentile	33	36	41	36	36	38	37
90th Percentile	40	38	41	39	41	41	41

\* Less than 0.5%

**Number of Paid Holidays (Excludes Combined PTO Plans that Include Holidays and Personal Days) †**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	HI-Tech	Energy & Chemicals	2006/2007 Database
None	4%	9%	15%	32%	13%	5%	11%
Less than 8 Days	1%	9%	2%	17%	4%	0%	5%
8 Days	4%	13%	6%	8%	3%	2%	5%
9 Days	6%	15%	13%	12%	10%	6%	10%
10 Days	22%	22%	27%	13%	18%	25%	21%
11 Days	26%	11%	14%	11%	19%	21%	18%
12 Days	13%	9%	12%	6%	21%	24%	14%
Over 12 Days	24%	13%	10%	1%	12%	17%	15%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	179	151	134	90	119	110	870
10th Percentile	9	6	0	0	0	9	0
25th Percentile	10	8	9	0	9	10	9
Median	11	10	10	8	11	11	10
75th Percentile	12	11	11	10	12	12	12
90th Percentile	15	13	13	11	13	13	13

† Includes fixed and floating holidays and personal days (unrestricted use)

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## Disability

**Days Covered at 100% with 1 Year of Service (No Waiting Period)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None	30%	24%	35%	45%	39%	16%	31%
1 to 5 Days	9%	19%	6%	9%	7%	4%	9%
6 to 10 Days	9%	18%	29%	30%	11%	17%	19%
11 to 20 Days	12%	11%	12%	11%	11%	18%	16%
21 to 60 Days	19%	14%	11%	1%	16%	21%	12%
Over 60 Days	22%	14%	8%	4%	15%	25%	13%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	186	160	139	224	123	113	1,034
10th Percentile	0	0	0	0	0	0	0
25th Percentile	0	1	0	0	0	10	0
Median	15	6	6	5	7	20	8
75th Percentile	45	30	15	8	35	59	25
90th Percentile	130	70	46	12	65	130	65

**Days Covered at 100% with 5 Years of Service (No Waiting Period)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None	30%	24%	34%	45%	39%	16%	31%
1 to 5 Days	8%	15%	6%	8%	7%	2%	7%
6 to 10 Days	5%	18%	24%	31%	11%	10%	17%
11 to 20 Days	4%	7%	4%	11%	8%	10%	11%
21 to 60 Days	20%	14%	16%	1%	11%	17%	12%
61 to 120 Days	20%	11%	9%	3%	17%	27%	12%
Over 120 Days	14%	12%	7%	2%	7%	19%	9%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	186	160	139	224	123	113	1,034
10th Percentile	0	0	0	0	0	0	0
25th Percentile	0	2	0	0	0	10	0
Median	30	7	7	5	8	45	10
75th Percentile	65	55	40	8	55	85	45
90th Percentile	130	130	71	12	85	130	110

**Days Covered at 100% with 10 Years of Service (No Waiting Period)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None	30%	24%	34%	45%	39%	16%	31%
1 to 5 Days	8%	15%	5%	8%	7%	3%	7%
6 to 10 Days	5%	18%	24%	30%	11%	9%	17%
11 to 20 Days	3%	4%	4%	11%	8%	8%	10%
21 to 60 Days	11%	10%	9%	1%	8%	12%	8%
61 to 120 Days	22%	14%	9%	3%	17%	16%	12%
Over 120 Days	22%	15%	14%	2%	11%	36%	15%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	186	160	139	224	123	113	1,034
10th Percentile	0	0	0	0	0	0	0
25th Percentile	0	2	0	0	0	10	0
Median	45	7	7	5	8	65	10
75th Percentile	95	65	55	9	65	130	65
90th Percentile	130	130	130	12	124	130	130

**Percent of Pay for a Disability at 1 Week with 1 Year of Service**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
No Payment	3%	2%	7%	24%	3%	2%	8%
Less than 50%	0%	1%	0%	*	0%	0%	*
50% but Less than 60%	1%	1%	1%	1%	0%	0%	1%
60% but Less than 75%	8%	8%	8%	16%	11%	2%	9%
75% but Less than 100%	3%	4%	5%	1%	7%	4%	3%
100%	86%	84%	79%	58%	79%	93%	79%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	186	160	139	224	123	113	1,034
10th Percentile	69%	67%	60%	0%	67%	100%	60%
25th Percentile	100%	100%	100%	50%	100%	100%	100%
Median	100%	100%	100%	100%	100%	100%	100%
75th Percentile	100%	100%	100%	100%	100%	100%	100%
90th Percentile	100%	100%	100%	100%	100%	100%	100%

\* Less than 0.5%

**Percent of Pay for a Disability at 1 Week with 5 Years of Service**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
No Payment	2%	1%	7%	24%	3%	2%	8%
Less than 50%	0%	1%	0%	*	0%	0%	*
50% but Less than 60%	1%	1%	1%	*	0%	0%	*
60% but Less than 75%	6%	8%	7%	16%	11%	2%	9%
75% but Less than 100%	3%	5%	3%	1%	7%	4%	3%
100%	88%	84%	82%	58%	79%	93%	80%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	186	160	139	224	123	113	1,034
10th Percentile	73%	70%	60%	0%	67%	100%	60%
25th Percentile	100%	100%	100%	60%	100%	100%	100%
Median	100%	100%	100%	100%	100%	100%	100%
75th Percentile	100%	100%	100%	100%	100%	100%	100%
90th Percentile	100%	100%	100%	100%	100%	100%	100%

\* Less than 0.5%

**Percent of Pay for a Disability at 1 Week with 10 Years of Service**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
No Payment	2%	1%	7%	24%	3%	2%	8%
Less than 50%	0%	1%	0%	*	0%	0%	*
50% but Less than 60%	1%	1%	1%	*	0%	0%	*
60% but Less than 75%	6%	8%	6%	15%	11%	2%	8%
75% but Less than 100%	3%	5%	3%	1%	7%	3%	3%
100%	88%	84%	83%	59%	79%	94%	80%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	186	160	139	224	123	113	1,034
10th Percentile	73%	70%	60%	0%	67%	100%	60%
25th Percentile	100%	100%	100%	60%	100%	100%	100%
Median	100%	100%	100%	100%	100%	100%	100%
75th Percentile	100%	100%	100%	100%	100%	100%	100%
90th Percentile	100%	100%	100%	100%	100%	100%	100%

\* Less than 0.5%

**Percent of Pay for a Disability at 4 Weeks with 1 Year of Service**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
No Payment	3%	6%	13%	29%	8%	11%	15%
Less than 50%	1%	1%	1%	2%	0%	1%	1%
50% but Less than 60%	4%	7%	6%	12%	4%	5%	6%
60% but Less than 75%	21%	36%	44%	47%	27%	19%	34%
75% but Less than 100%	7%	9%	11%	2%	12%	7%	7%
100%	65%	41%	25%	8%	49%	58%	37%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	186	160	139	224	123	113	1,034
10th Percentile	60%	50%	0%	0%	50%	0%	0%
25th Percentile	67%	60%	60%	0%	67%	60%	60%
Median	100%	70%	67%	60%	85%	100%	67%
75th Percentile	100%	100%	93%	60%	100%	100%	100%
90th Percentile	100%	100%	100%	78%	100%	100%	100%

**Percent of Pay for a Disability at 4 Weeks with 5 Years of Service**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
No Payment	1%	6%	8%	28%	7%	8%	14%
Less than 50%	1%	1%	1%	2%	0%	1%	1%
50% but Less than 60%	2%	4%	4%	11%	3%	1%	5%
60% but Less than 75%	13%	31%	27%	45%	23%	12%	27%
75% but Less than 100%	6%	9%	8%	2%	12%	6%	7%
100%	77%	49%	53%	12%	54%	73%	47%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	186	160	139	224	123	113	1,034
10th Percentile	60%	50%	55%	0%	50%	57%	0%
25th Percentile	100%	60%	60%	0%	67%	80%	60%
Median	100%	80%	100%	60%	100%	100%	80%
75th Percentile	100%	100%	100%	60%	100%	100%	100%
90th Percentile	100%	100%	100%	100%	100%	100%	100%

**Percent of Pay for a Disability at 4 Weeks with 10 Years of Service**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
No Payment	1%	6%	8%	28%	7%	8%	13%
Less than 50%	1%	1%	1%	2%	0%	1%	1%
50% but Less than 60%	2%	3%	3%	11%	2%	1%	4%
60% but Less than 75%	13%	30%	27%	44%	23%	12%	27%
75% but Less than 100%	6%	10%	7%	2%	12%	4%	6%
100%	77%	50%	55%	13%	55%	74%	48%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	186	160	139	224	123	113	1,034
10th Percentile	60%	50%	55%	0%	53%	57%	0%
25th Percentile	100%	60%	60%	0%	67%	80%	60%
Median	100%	90%	100%	60%	100%	100%	80%
75th Percentile	100%	100%	100%	60%	100%	100%	100%
90th Percentile	100%	100%	100%	100%	100%	100%	100%

**Percent of Pay for a Disability at 3 Months with 1 Year of Service**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
No Payment	8%	11%	12%	18%	7%	19%	14%
Less than 50%	2%	2%	1%	2%	0%	1%	1%
50% but Less than 60%	9%	6%	6%	14%	4%	5%	8%
60% but Less than 75%	48%	58%	65%	60%	63%	43%	56%
75% but Less than 100%	6%	6%	9%	1%	13%	9%	6%
100%	28%	18%	8%	4%	14%	23%	14%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	186	160	139	224	123	113	1,034
10th Percentile	50%	0%	0%	0%	50%	0%	0%
25th Percentile	60%	60%	60%	50%	60%	56%	60%
Median	65%	60%	60%	60%	66%	60%	60%
75th Percentile	100%	70%	67%	60%	75%	80%	70%
90th Percentile	100%	100%	80%	67%	100%	100%	100%

**Percent of Pay for a Disability at 3 Months with 5 Years of Service**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
No Payment	4%	7%	7%	16%	6%	6%	10%
Less than 50%	1%	2%	1%	2%	0%	1%	1%
50% but Less than 60%	5%	4%	6%	15%	3%	4%	7%
60% but Less than 75%	38%	55%	64%	60%	59%	36%	53%
75% but Less than 100%	8%	8%	8%	2%	10%	9%	6%
100%	45%	24%	14%	5%	22%	43%	23%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	186	160	139	224	123	113	1,034
10th Percentile	53%	50%	50%	0%	60%	50%	5%
25th Percentile	60%	60%	60%	50%	60%	60%	60%
Median	75%	60%	60%	60%	67%	75%	60%
75th Percentile	100%	80%	70%	60%	80%	100%	80%
90th Percentile	100%	100%	100%	67%	100%	100%	100%

**Percent of Pay for a Disability at 3 Months with 10 Years of Service**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
No Payment	3%	4%	4%	16%	5%	5%	9%
Less than 50%	1%	2%	1%	2%	0%	1%	1%
50% but Less than 60%	4%	4%	5%	15%	2%	4%	6%
60% but Less than 75%	31%	48%	54%	60%	53%	27%	47%
75% but Less than 100%	6%	8%	7%	2%	11%	8%	6%
100%	55%	33%	29%	5%	29%	55%	30%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	186	160	139	224	123	113	1,034
10th Percentile	60%	50%	58%	0%	60%	57%	44%
25th Percentile	60%	60%	60%	50%	60%	60%	60%
Median	100%	67%	67%	60%	67%	100%	65%
75th Percentile	100%	100%	100%	60%	100%	100%	100%
90th Percentile	100%	100%	100%	69%	100%	100%	100%

**Percent of Pay for a Disability at 6 Months with 1 Year of Service**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
No Payment	1%	2%	2%	4%	0%	4%	3%
Less than 50%	5%	3%	1%	4%	2%	0%	3%
50% but Less than 60%	11%	14%	14%	25%	14%	11%	15%
60% but Less than 75%	70%	78%	80%	66%	80%	76%	74%
75% but Less than 100%	3%	0%	1%	0%	2%	1%	1%
100%	10%	4%	1%	1%	2%	9%	4%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	186	160	139	224	123	113	1,034
10th Percentile	50%	50%	50%	50%	50%	50%	50%
25th Percentile	60%	60%	60%	50%	60%	60%	60%
Median	60%	60%	60%	60%	60%	60%	60%
75th Percentile	60%	60%	60%	60%	60%	67%	60%
90th Percentile	80%	67%	67%	60%	67%	70%	67%

**Percent of Pay for a Disability at 6 Months with 5 Years of Service**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
No Payment	1%	1%	1%	2%	0%	0%	2%
Less than 50%	5%	3%	1%	4%	2%	0%	3%
50% but Less than 60%	12%	14%	14%	27%	13%	12%	16%
60% but Less than 75%	69%	77%	80%	67%	80%	74%	74%
75% but Less than 100%	3%	0%	1%	0%	2%	1%	1%
100%	11%	5%	2%	1%	2%	12%	5%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	186	160	139	224	123	113	1,034
10th Percentile	50%	50%	50%	50%	50%	50%	50%
25th Percentile	60%	60%	60%	50%	60%	60%	60%
Median	60%	60%	60%	60%	60%	60%	60%
75th Percentile	60%	60%	60%	60%	60%	67%	60%
90th Percentile	100%	67%	67%	60%	67%	100%	67%

**Percent of Pay for a Disability at 6 Months with 10 Years of Service**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
No Payment	1%	1%	1%	2%	0%	0%	2%
Less than 50%	5%	3%	1%	4%	2%	0%	3%
50% but Less than 60%	11%	14%	14%	27%	12%	11%	15%
60% but Less than 75%	67%	77%	78%	67%	78%	66%	72%
75% but Less than 100%	2%	0%	1%	0%	2%	1%	1%
100%	15%	6%	4%	1%	5%	22%	7%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	186	160	139	224	123	113	1,034
10th Percentile	50%	50%	50%	50%	50%	50%	50%
25th Percentile	60%	60%	60%	50%	60%	60%	60%
Median	60%	60%	60%	60%	60%	60%	60%
75th Percentile	66%	60%	60%	60%	63%	67%	60%
90th Percentile	100%	67%	67%	60%	67%	100%	70%

**Percent of Pay for a Disability at 1 Year with 1 Year of Service**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
No Payment	2%	2%	2%	4%	0%	2%	3%
Less than 50%	5%	3%	1%	4%	3%	1%	3%
50% but Less than 60%	15%	13%	15%	25%	16%	15%	17%
60% but Less than 75%	78%	83%	81%	67%	80%	82%	77%
75% but Less than 100%	0%	0%	0%	*	1%	0%	*
100%	1%	0%	0%	0%	0%	0%	*
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	186	160	139	224	123	113	1,034
10th Percentile	50%	50%	50%	50%	50%	50%	50%
25th Percentile	60%	60%	60%	50%	60%	60%	60%
Median	60%	60%	60%	60%	60%	60%	60%
75th Percentile	60%	60%	60%	60%	60%	64%	60%
90th Percentile	60%	67%	67%	60%	67%	67%	67%

\* Less than 0.5%

**Percent of Pay for a Disability at 1 Year with 5 Years of Service**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
No Payment	1%	1%	1%	2%	0%	0%	2%
Less than 50%	5%	3%	1%	4%	3%	1%	3%
50% but Less than 60%	15%	14%	15%	27%	16%	16%	17%
60% but Less than 75%	78%	83%	82%	67%	80%	83%	78%
75% but Less than 100%	0%	0%	0%	*	1%	0%	*
100%	1%	0%	0%	0%	0%	0%	*
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	186	160	139	224	123	113	1,034
10th Percentile	50%	50%	50%	50%	50%	50%	50%
25th Percentile	60%	60%	60%	50%	60%	60%	60%
Median	60%	60%	60%	60%	60%	60%	60%
75th Percentile	60%	60%	60%	60%	60%	64%	60%
90th Percentile	60%	67%	67%	60%	67%	67%	67%

\* Less than 0.5%

**Percent of Pay for a Disability at 1 Year with 10 Years of Service**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
No Payment	1%	1%	1%	2%	0%	0%	2%
Less than 50%	5%	3%	1%	4%	3%	1%	3%
50% but Less than 60%	15%	14%	15%	27%	16%	16%	17%
60% but Less than 75%	77%	83%	82%	67%	80%	83%	77%
75% but Less than 100%	0%	0%	0%	*	1%	0%	*
100%	1%	0%	0%	0%	0%	0%	*
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	186	160	139	224	123	113	1,034
10th Percentile	50%	50%	50%	50%	50%	50%	50%
25th Percentile	60%	60%	60%	50%	60%	60%	60%
Median	60%	60%	60%	60%	60%	60%	60%
75th Percentile	60%	60%	60%	60%	60%	64%	60%
90th Percentile	61%	67%	67%	60%	67%	67%	67%

\* Less than 0.5%

**Employee Contributions Required for Short-term Disability (STD) Coverage**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None	96%	87%	94%	73%	88%	94%	88%
Employee Contributions Required	1%	4%	4%	3%	8%	2%	3%
Employee-Pay-All Plan	3%	9%	2%	24%	4%	4%	9%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	186	160	139	224	123	113	1,034

**LTD Eligibility (Only Employers with LTD Coverage)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Immediate	38%	34%	39%	10%	66%	62%	38%
One Month or Less	30%	26%	28%	40%	19%	19%	29%
Two Months	5%	4%	1%	4%	1%	0%	3%
Three Months	10%	13%	16%	19%	7%	8%	12%
Four to Twelve Months	16%	23%	14%	25%	7%	9%	17%
More than One Year	1%	1%	1%	2%	0%	2%	1%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	184	158	137	220	122	113	1,014
10th Percentile	0	0	0	0	0	0	0
25th Percentile	0	0	0	1	0	0	0
Median	1	1	1	1	0	0	1
75th Percentile	3	3	3	6	1	1	3
90th Percentile	6	12	6	12	3	5	7

**Employee Contributions Required for Long-term Disability (LTD) Coverage (Only Employers with LTD Coverage)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None	73%	68%	85%	79%	68%	79%	75%
Employee Contributions Required	11%	13%	3%	5%	10%	9%	8%
Employee-Pay-All Plan	16%	18%	12%	16%	22%	12%	16%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	184	158	137	220	122	113	1,014

**D Payment as a Percent of Pay (Only Employers with LTD Coverage)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
Less than 50%	5%	3%	1%	4%	3%	1%	3%
50%	14%	13%	15%	26%	15%	16%	17%
60%	70%	70%	63%	62%	62%	57%	64%
67%	7%	11%	15%	1%	14%	16%	10%
70%	1%	1%	2%	1%	1%	3%	2%
More than 70%	0%	0%	1%	*	1%	0%	*
Other Amount	3%	1%	3%	5%	4%	8%	4%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	184	158	137	220	122	113	1,014
10th Percentile	50%	50%	50%	50%	50%	50%	50%
25th Percentile	60%	60%	60%	50%	60%	60%	60%
Median	60%	60%	60%	60%	60%	60%	60%
75th Percentile	60%	60%	60%	60%	60%	64%	60%
90th Percentile	60%	67%	67%	60%	67%	67%	67%

\* Less than 0.5%

**Type of Social Security Offset for LTD Coverage (Only Employers with LTD Coverage)**

	Manu- facturing	Nonmanu- facturing	Finance	Health Care	Hi-Tech	Energy & Chemicals	2006/2007 Database
None	3%	8%	3%	3%	2%	2%	4%
Individual Offset	38%	26%	33%	34%	32%	35%	33%
Family Offset	59%	66%	64%	63%	66%	64%	63%
No Response	0%	0%	0%	0%	0%	0%	0%
Number of Plans	184	158	137	220	122	113	1,014

## Appendix A - Averages and Percentiles

Many of the tables in this statistical summary, in addition to a frequency distribution, present various statistics. Two types of statistics can be found in the report – averages and percentiles.

### Averages

The average value is calculated by summing the value of each employer included in the group, and dividing by the number of employers.

### Percentiles

There are various methods of calculating percentiles. This report uses a “weighted average” calculation. To illustrate, assume that we are calculating the 50<sup>th</sup> percentile (also called the median.) The values of all employers included in the group are sorted from the lowest value to the highest value. If there are 100 employers in the comparison group, then 100 is multiplied by 0.5. The value of the employer that is 50 (100 \* 0.5) positions from the top of the sorted list is reported as the median. Similarly, the 10<sup>th</sup> percentile is calculated in this example by multiplying 100 \* 0.1. The value of the employer that is 10<sup>th</sup> on the sorted list of values is reported as the 10<sup>th</sup> percentile.

If the percentile multiplication results in a fraction, then the reported result is a weighted average of the two employers closest to the ranking. For example, if there are 25 employers in a group, then the 50<sup>th</sup> percentile (25 \* 0.5 = 12.5) would be the value halfway between the employers that rank 12<sup>th</sup> and 13<sup>th</sup> on the sorted list. Because of this interpolation, the percentile reported will not necessarily represent a value in the database. For example, if it is necessary to interpolate between a deductible of \$100 and a deductible of \$150, then the 50<sup>th</sup> percentile in this example would be \$125. That is, it is possible to see results in the percentiles that are not actual values in the database, but represent an interpolation between two values that are in the database.

## Appendix B - Participating Employers by Industry

### Manufacturing

A O Smith Corp.	Dispatch Printing Co.
ACCO Brands Corp.	Dole Food Co., Inc.
Advanced Medical Optics, Inc.	Donaldson Co., Inc.
AgReliant Genetics	Dresser-Rand Co.
Aleris International Inc.	E.W. Scripps Co.
Allied Waste Industries	Eaton Corp.
Alticor Inc.	EDW C. Levy Co.
Altria Group	Electrolux
Amcor PET Packaging USA, Inc.	Everett Smith Group
American Honda Motor Co.	Flow International Corp.
American Standard	FMC Technologies, Inc.
AMSTED Industries, Inc.	Foamex International
Andersen Corp.	Ford Motor Co.
Archer Daniels Midland Co.	General Dynamics (Adv. Info Sys. & Netw.)
AT Cross Co.	General Mills, Inc.
Avery Dennison	General Motors Corp.
Bath Iron Works Corp.	Genie Industries
Bausch & Lomb, Inc.	Giddings & Lewis, LLC
Beam Global Spirits & Wine, Inc.	Goodyear Tire & Rubber Co.
BMW Manufacturing Corp.	Graco, Inc.
BOSE Corp.	Greif Inc.
Brown Forman Corp.	H.J. Heinz Co.
Bucyrus International	Hasbro, Inc.
Budd Co.	Haworth
Bunge North America, Inc.	Helac Corp.
Butler Manufacturing Corp.	Helix Technology Corp. (Brooks Automation)
Cadbury Schweppes CBI Holdings	Hershey Foods Co.
Campbell Soup Co.	Hill's Pet Nutrition, Inc.
Carpenter Technology	HOLCIM (US) Inc.
Caterpillar, Inc.	Holstein Association USA, Inc.
Central Garden & Pet	Honda of America Manufacturing, Inc.
Cenveo, Inc.	Honeywell International
Cherry Corp.	Hormel Foods Corp.
Chrysler, LLC	Hunter Industries
CHS	Hyundai Motor America
Coca-Cola Co.	Hyundai Motor Manufacturing of Alabama
Coca-Cola Enterprises Inc.	Illinois Tool Works, Inc.
Colgate-Palmolive Co.	Ingersoll Rand Co.
Columbus McKinnon Corp.	International Data Group
Comau Inc.	International Paper Co.
Constellation Brands	Interstate Resources, Inc.
Cooper Tire & Rubber Co.	J. R. Simplot Co.
Corning Inc.	Jervis B. Webb Co.
Cranston Print Works Co.	JLG Industries, Inc.
Crown Holdings	John Deere (Deere & Co.)
Dairy Farmers of America	John Wiley & Sons, Inc.
Delphi Corp.	Johnson Controls, Inc. (Automotive Exp.)
Delta and Pine Land Co.	Kennametal Inc.
DENSO International America, Inc.	Kraft Foods, Inc.
Diebold, Inc.	Krueger International, Inc.

Kurt Manufacturing Co.  
 Land O'Lakes, Inc.  
 Lear Corp.  
 Longaberger Co.  
 Louisiana Pacific Corp.  
 Lydall, Inc.  
 Manitowoc Co., Inc.  
 Mars Inc.  
 Martco  
 Mary Kay Inc.  
 MASCO Corp.  
 Master Lock Co.  
 MasterBrand Cabinets, Inc.  
 McCain Foods USA, Inc.  
 Mercedes-Benz U.S. International, Inc.  
 Meridian Automotive Systems, Inc.  
 Milacron, Inc.  
 Millipore Corp.  
 Mitsubishi Motors North America (Mfg.)  
 Moet Hennessy USA, Inc.  
 Mohawk Industries  
 Monier Life Tile  
 Mycogen Seeds  
 New United Motor Manufacturing, Inc.  
 Nintendo of America Inc.  
 Nissan North America, Inc. (Mfg.)  
 Nordson Corp.  
 O'Reilly Automotive Inc.  
 Owens Corning  
 PACCAR Inc.  
 PepsiAmericas, Inc.  
 PepsiCo, Inc.  
 Philip Morris USA  
 Pilgrim's Pride Corp.  
 Plastech Engineered Products, Inc.  
 Plastipak Packaging, Inc.  
 Playtex Products, Inc.  
 Polaris Industries  
 PolyOne Corp.  
 Printpack, Inc.  
 PWEagle, Inc.  
 Quanex  
 Ralcorp Holdings, Inc.

**Nonmanufacturing**

Abt Associates Inc.  
 Agere Systems Inc.  
 Ahold USA  
 Alexander & Baldwin, Inc.  
 Alltel  
 America Online, Inc.  
 AMF Bowling  
 Apollo Group Inc.  
 Applebee's International, Inc. (KC)  
 Aramark Services, Inc.

Readers Digest Association, Inc.  
 Rheem Manufacturing (Water Heater Div.)  
 Riceland Foods, Inc.  
 Robert Bosch Corp.  
 Sappi Fine Paper North America  
 Sara Lee Corp.  
 Scholastic Corp.  
 Schreiber Foods, Inc.  
 Sealy, Inc.  
 Senco Products, Inc.  
 Silgan Containers Corp.  
 Silgan Plastics Corp.  
 Smurfit-Stone Container Corp.  
 Solectron  
 Southco, Inc.  
 Spirax Sarco  
 SPX Corp.  
 Standex International Corp.  
 Stryker Instruments  
 Subaru of Indiana Automotive, Inc.  
 Superior Industries International  
 Swedish Match North America Inc.  
 Tenneco Automotive  
 Terex Corp.  
 Texas Industries, Inc.  
 Thyssen Krupp Materials NA, Inc.  
 ThyssenKrupp Elevator  
 Timberland Co., Inc.  
 Titanium Metals Corp. (TIMET)  
 Toro Co.  
 Total Petrochemicals USA, Inc.  
 Tower Automotive  
 Toyota Motor Manufacturing North America  
 TriMas Corp.  
 United Solar Ovonic  
 UST  
 Varian Medical Systems, Inc.  
 Wolverine Worldwide  
 World Kitchen LLC  
 Worthington Industries, Inc.  
 Yazaki North America, Inc.  
 YKK Corp. of America  
 ZF Group NAO

Army & Air Force Exchange Service  
 Austin Industries  
 Avaya Inc.  
 Barnes & Noble, Inc.  
 BearingPoint, Inc.  
 Best Buy Co., Inc.  
 BMW of North America, Inc.  
 Bon-Ton Stores, Inc.  
 Breakers Palm Beach, Inc.  
 Brinker International

Broadmoor Hotel, Inc.  
 Brown Shoe  
 C.H. Robinson Worldwide, Inc.  
 Cardinal Health  
 Casey's General Stores  
 CB Richard Ellis  
 CBS Corp.  
 CDW Corp.  
 Colonial Group Inc.  
 Comcast Corp.  
 Compass Group North American Division  
 Cox Communications  
 Cox Enterprises, Inc.  
 CPI Corp.  
 Crete Carrier Corp.  
 CSX Corp.  
 CVS/Caremark Corp.  
 Dick's Sporting Goods  
 Do it Best  
 Dolby Laboratories  
 Dollar General Corp.  
 Dunkin' Brands, Inc.  
 eBay  
 ESCO Technologies Inc.  
 Exel, Inc.  
 Fenwick & West LLP  
 Ferrellgas Partners, LP  
 Four Seasons Hotels Limited  
 Fox Entertainment Group  
 Friendly Ice Cream Corp.  
 Fulbright & Jaworski LLP  
 Genesco Inc.  
 Getty Images, Inc.  
 Gillette Co.  
 Graybar Electric  
 Greenbrier Hotel  
 GTSI Corp.  
 H. E. Butt Grocery Co.  
 Hanna Andersson  
 Hannaford Brothers Co.  
 Harte-Hanks, Inc.  
 Hilton Hotels Corp.  
 Hitachi Global Storage Technologies, Inc.  
 Idearc Media Corp.  
 Ingram Micro  
 Intercontinental Hotels, Inc.  
 Intrawest  
 Irvine Co.  
 Isuzu Motors America, Inc.  
 J.B. Hunt Transport, Inc.  
 JCPenney  
 JetBlue Airways Corp.  
 JM Family Enterprises, Inc.  
 Keane, Inc.  
 King & Spalding  
 L.L. Bean, Inc.  
 Lennar Corp.  
 Level 3 Communications  
 Little Caesar Enterprises, Inc.  
 Macy's Inc.  
 Manpower, Inc.  
 Maritz Inc.  
 Marsh Supermarkets  
 Massachusetts Port Authority  
 Mazda North American Operations  
 McCarthy Building Companies  
 McGuireWoods LLP  
 Mercedes-Benz USA, LLC  
 Merrill Corp.  
 Michaels Stores  
 Mitsubishi Motors North America (Sales)  
 Nash Finch Co.  
 Navy Exchange Service Command  
 Nissan North America, Inc. (Sales)  
 Norfolk Southern Corp.  
 Nortel Networks  
 Northwest Airlines, Inc.  
 NOVO1, Inc.  
 Office Depot  
 Olin Corp.  
 Orvis Co., Inc.  
 Papa John's International Inc.  
 PAREXEL International Corp.  
 Paychex, Inc.  
 Payless Shoesource Worldwide, Inc.  
 Peak Technologies, Inc.  
 Pebble Beach Co.  
 Pep Boys - Manny, Moe & Jack  
 Peter Kiewit Sons' Inc.  
 Petroleum Helicopters, Inc.  
 Pier 1 Imports, Inc.  
 Pillsbury Winthrop Shaw Pittman LLP  
 Publicis Group  
 Pulte Homes, Inc.  
 Qwest Communications International, Inc.  
 RailAmerica, Inc.  
 Rent A Center, Inc.  
 Restaurants Unlimited, Inc.  
 Reuters America, Inc.  
 Safeway, Inc.  
 Saks Inc.  
 Sauer-Danfoss  
 Scitor  
 ServiceMaster Co.  
 Sherwin Williams, Inc.  
 Sigma-Aldrich Corp.  
 Sodexo, Inc.  
 Sony Ericsson Mobile Communications  
 Southern States Cooperative, Inc.  
 Southwest Airlines Co.  
 Spartan Stores, Inc.  
 Sports Authority

Sprint Corp.  
 Staples, Inc.  
 Starboard Cruise Services, Inc.  
 Starbucks Coffee Co.  
 Station Casinos, Inc.  
 Subaru of America, Inc.  
 Swinerton Inc.  
 Talbots, Inc.  
 Target Corp.  
 TJX Companies, Inc.  
 Toll Brothers  
 Toyota Motor Sales, USA, Inc.  
 Transplace  
 Tribune Co.  
 Union Pacific Corp.

### Finance

A. G. Edwards & Sons  
 Aetna, Inc.  
 American Commerce Insurance Co.  
 American Express Co.  
 American United Life  
 Ameriprise Financial  
 Amerisure Mutual Insurance Co.  
 Amica Mutual Insurance Co.  
 AmSouth Bancorporation  
 Ark Asset Management Co., Inc.  
 Assemblies of God Financial  
 Astoria Federal Savings  
 Auto Club Group  
 Automobile Club of Southern CA  
 Auto-Owners Insurance Co.  
 Aviva  
 Bank of America Corp.  
 Bank-Fund Staff Federal Credit Union  
 BankUnited, FSB  
 BB&T Corp.  
 BCBS of Michigan  
 BCBS of Minnesota  
 BCBS of Rhode Island  
 BCBS of South Carolina  
 Bear Stearns Companies, Inc.  
 BlackRock, Inc.  
 Blue Shield of California  
 Bremer Financial Corp.  
 Brown Brothers Harriman & Co.  
 Capital One Financial Corp.  
 Celtic Insurance  
 Charles Schwab Corp.  
 Chicago Board of Trade  
 Chittenden Corp.  
 Cincinnati Financial Corp.  
 CIT Group Inc.  
 Citigroup Inc.  
 Citizens Financial Bank (Munster, IN)

Univision Communications Inc.  
 Verizon Communications  
 Vertrue Inc.  
 Vestas - American Wind Technology Inc.  
 VHA Inc.  
 W. W. Grainger, Inc.  
 Waggener Edstrom Worldwide  
 Wal-Mart Stores, Inc.  
 Wendy's International  
 Weston Solutions  
 Wyndham Worldwide Corp.  
 Yahoo! Inc.  
 YRC Worldwide Inc.  
 Yum! Brands, Inc.

Citizens Financial Group, Inc.  
 Commerce Bancshares, Inc.  
 Commerce Insurance Co.  
 Compass Bancshares, Inc.  
 Continental Group Inc.  
 Converium Reinsurance (NA) Inc.  
 Countrywide Financial Corp.  
 David T. Chase Enterprises, Inc.  
 Deutsche Bank  
 Downey Savings and Loan Association  
 DST System  
 Edison Properties, LLC  
 Edward Jones  
 Equifax, Inc.  
 Equity Office Properties  
 Erie Insurance Group  
 Federal National Mortgage Association  
 Fidelity Investments  
 Fifth Third Bank  
 First Financial Bancorp  
 Frankenmuth Mutual Insurance Co.  
 Franklin Templeton Investments  
 Gibraltar Industries  
 GMAC  
 GMAC Insurance Management Corp.  
 GMAC Mortgage Group, Inc.  
 Goldman Sachs Group  
 Grange Mutual Casualty Co.  
 Great American Insurance Co.  
 Hartford Financial Services Group  
 Highmark Inc.  
 HSBC Bank USA  
 Huntington Bancshares Inc.  
 Industrial Alliance Pacific  
 Indymac Bank, F.S.B.  
 ING Americas  
 James Campbell Co. LLC  
 John Hancock Financial Services

JPMorgan Chase  
 KeyCorp  
 Knights of Columbus  
 Lazard Freres & Co. LLC  
 Lehman Brothers  
 Liberty Mutual Insurance Co.  
 M&T Bank Corp.  
 Mass Mutual Life Insurance Co.  
 MasterCard Worldwide  
 MDC Holdings, Inc.  
 Medical Mutual of Ohio  
 MFS Investment Management  
 Mission Federal Credit Union  
 Mizuho Corporate Bank, Ltd.  
 Mutual of Omaha  
 National City Corp.  
 National Grange Mutual Insurance Co.  
 Nationwide Life Insurance Enterprise  
 Nomura Securites International, Inc.  
 North Island Credit Union  
 Northwestern Mutual Life Insurance Co.  
 Ohio Casualty Insurance Co.  
 OneBeacon Insurance  
 Orange County Teachers' FCU (CA)  
 Oregon Mutual Insurance  
 Pacific Life  
 Piper Jaffray Inc.  
 PNC Financial Services Group  
 Premera Blue Cross  
 Principal Financial Group  
 RBC Dain Rauscher Corp.  
 Regions Bank (Union Planters)

### Health Care

Akron Children's Hospital  
 Albert Einstein Healthcare Network  
 Alegen Health  
 Allina Hospitals and Clinics  
 Alta Bates Summit Medical Center  
 AltaMed Health Services Corp.  
 American Red Cross (National)  
 Anne Arundel Medical Center  
 Appalachian Regional Healthcare, Inc.  
 Asante Health System  
 Ascension Health  
 Atlantic Health System  
 Avamere Health Services  
 Banner Health System (Arizona)  
 Baptist Health South Florida, Inc.  
 Baptist Health System (Birmingham, AL)  
 Baptist Health System (Jacksonville, FL)  
 Baptist Health Systems (Jackson, MS)  
 Baptist Memorial Health Care Corp.  
 Baylor Health Care System  
 Beebe Medical Center

Reliance Insurance Co.  
 RGA Reinsurance  
 Robert W. Baird & Co. Inc.  
 Scottrade  
 Securian Financial Group  
 Sentry Insurance  
 Shelter Mutual Insurance Co.  
 Simon Property Group  
 SLM Corp.  
 Standard Pacific Corp.  
 State Auto Insurance Co.  
 State Street Bank & Trust Co.  
 Sun Life Financial  
 SunTrust Bank  
 Tufts Health Plan  
 UBS Financial Services Inc.  
 UMB Financial Corp.  
 Unitrin, Inc.  
 Unum Group  
 US Bancorp  
 Vanguard Group  
 Visa USA  
 Wachovia Corp.  
 Washington Mutual Bank  
 Webster Bank  
 Wellington Management Company, LLP  
 Wellmark, Inc.  
 WellPoint, Inc.  
 Wells Fargo & Co.  
 Wescom Credit Union  
 Western Reserve Group

Beth Israel Deaconess Medical Center  
 BJC HealthCare  
 Blood Systems, Inc.  
 Borgess Medical Center  
 Boston Medical Center  
 Botsford General Hospital  
 Brigham and Women's Hospital  
 Bronson Healthcare Group, Inc.  
 Brooks Rehabilitation Hospital  
 Caldwell Memorial Hospital  
 Care New England  
 CareFirst BlueCross BlueShield  
 Carolinas HealthCare System  
 Carondelet Health  
 Catawba Valley Medical Center  
 Catholic Healthcare West  
 CentraCare Health System  
 Children's Healthcare of Atlanta  
 Children's Hosp. and Research Ctr. Oakland  
 Children's Hospital Boston  
 Children's Hospital Los Angeles

Children's Hospital National Medical Ctr.	Jefferson Memorial Hospital
Children's Hospital of Orange County (CA)	John Muir Health
Children's Hospital of Philadelphia	Johns Hopkins Health System Corp./Hosp.
Children's Hospitals and Clinics of MN	Kaiser Permanente (Colorado)
Christiana Care Health System	Kaiser Permanente (Hawaii)
CHRISTUS Health	Kaiser Permanente (Northern California)
City of Hope National Medical Center	Kennedy Health System
Community Hosp. of the Monterey Peninsula	Kennedy Kreiger Institute
Cottage Health System	Lahey Clinic
Coventry Health Care, Inc.	Lehigh Valley Hospital
Crozer-Keystone Health System	Life Bridge Health
CVPH Medical Center	Lifespan/Rhode Island Hospital
Dameron Hospital Association	Lifetime Healthcare Companies
DaVita	Lourdes Health System
Dekalb Medical Center	Main Line Health
Denver Health and Hospital Authority	Maine Medical Center
Detroit Medical Center	Massachusetts General Hospital
Dominican Hospital (CHW)	Mayo Clinic (Jacksonville, FL.)
East Texas Medical Center (Tyler)	Mayo Clinic (Rochester, MN)
Eisenhower Medical Center	Mayo Clinic (Scottsdale, AZ)
El Camino Hospital	MCG Health, Inc.
Emory HealthCare	Medical University Hospital Authority
Express Scripts, Inc.	MedStar Health (Baltimore, MD)
Fairview Health Services	MedStar Health (Georgetown, DC)
Fallon Clinic, Inc.	MedStar Health (Washington Hospital Ctr.)
Fletcher Allen Health Care	Memorial Health System of East Texas
Foot Hospital	Memorial Healthcare System
Forrest General Hospital	Memorial Hermann Healthcare System
Forum Health System	Mercy Hospital (FL)
Frankford Hospital	Mercy Medical Center (Baltimore, MD)
Fresenius Medical Care	MeritCare Health System
Genesis HealthCare	Methodist Health System
Gilbert Medical/Chanler Regional (CHW)	Methodist Hospital System (Houston, TX)
Gottlieb Memorial Hospital	Methodist Hospitals, Inc. (IN)
Greenville Hospital System	Methodist LeBonheur Healthcare (TN)
Hackley Medical Center	Miami Children's Hospital
Harris County Hospital District (TX)	MidMichigan Health
Harvard Pilgrim Health Care	Mt. Washington Pediatric Hospital
HCA Inc.	Munson Medical Center
Health Alliance	Natividad Medical Center
Health Alliance Plan	Nebraska Medical Center
Health Care Service Corp.	Nemours
Health Net, Inc.	New England Baptist Hospital
HealthEast Care System	Norman Regional Health System
HealthPartners, Inc.	North Broward Hospital District
Henry Ford Health System	North Memorial Health Care
Holy Redeemer Health System	North Mississippi Health Services, Inc.
Hospital Sisters Health System	Northeast Georgia Health System, Inc.
Humility of Mary Health Partners	Northeast Medical Center
Huntington Memorial Hospital	Northern Michigan Regional Health System
Inova Health System	Northside Hospital
Intermountain Health Care	Northwestern Memorial Hospital
Iowa Health System	Novant Health
Irvine Regional Hospital and Medical Ctr.	Oakwood Healthcare System
Jackson Health System (Memorial Hosp.)	Palmetto Health Alliance
	Park Nicollet Health Services

Parker Jewish Institute for HC and Rehab  
 Parkland Health & Hospital System  
 Potomac Hospital  
 Providence Health System (AK)  
 Providence Health System (OR)  
 Queen's Medical Center  
 Rady Children's Hospital, San Diego  
 Redlands Community Hospital  
 Regional Medical Center At Memphis  
 Reston Hospital Center  
 River Oaks Health System  
 Roper St. Francis HC (Care Alliance)  
 Saint Francis Health System (OK)  
 Salinas Valley Memorial Healthcare System  
 Scottsdale Healthcare Corp.  
 Scripps Health  
 Sibley Memorial Hospital  
 Sister's of Mercy Health Care  
 South Bend Medical Foundation, Inc.  
 Southern Regional Health System  
 Sparrow Health System  
 Spectrum Health  
 SSM Health Care (MO)  
 St. Anthony's Medical Center (MO)  
 St. Cloud Hospital  
 St. John Health (MI)  
 St. John's Health System (Springfield, MO)  
 St. Joseph Health System (Mission Hosp.)  
 St. Joseph Health System (Orange, CA)  
 St. Joseph Health System (St. Jude)  
 St. Joseph Medical Center (Towson, MD)  
 St. Joseph Mercy Health System (MI)  
 St. Joseph's Hospital of Atlanta (GA)  
 St. Joseph's Medical Center (AZ)  
 St. Jude Children's Research Hospital (TN)  
 St. Luke's Episcopal Health System (TX)

St. Mary's Medical Center (WV)  
 St. Vincent Health System (AR)  
 Stanford University Medical Center  
 Summa  
 Sun Health Corp.  
 Temple University Hospital  
 Tenet Healthcare Corp.  
 Texas Health Resources  
 Thomason Hospital  
 Trinity Health  
 Truman Medical Center  
 UMass Memorial Health Care, Inc.  
 United Health Group  
 Universal Health Services  
 University Hospitals Health System  
 University of Chicago Hospitals  
 University of Colorado Hospital  
 University of Florida Jacksonville Health  
 University of Maryland Medical System  
 University of North Carolina HC Systems  
 University of Pennsylvania Health System  
 University of Pittsburgh Medical Center  
 University of Wisconsin Medical Foundation  
 Valley Health  
 VCU Health System  
 Virginia Hospital Center  
 VITAS Healthcare Corp.  
 WakeMed  
 WellSpan Health  
 WellStar Health System  
 William Beaumont Hospital  
 Wing Memorial Hospital  
 Wood County Hospital Association, Inc.  
 Yale-New Haven Hospital  
 Yuma Regional Medical Center

### Hi-Tech

3Com  
 ABB Inc.  
 ACI Worldwide  
 Adaptec, Inc.  
 Adobe Systems  
 Aerojet East  
 Agilent Technologies, Inc.  
 Alliance Data Systems  
 Alliant Techsystems Inc.  
 Amdocs  
 American Medical Systems Inc.  
 Analog Devices Inc.  
 Apple Computer, Inc.  
 Applera Corp.  
 Argonne National Laboratory  
 Avago Technologies  
 BAE Systems

Barr Engineering Co.  
 Baxter International Inc.  
 Beckman Coulter, Inc.  
 Becton Dickinson and Co.  
 Belden Inc.  
 Bio-Rad Labs Inc.  
 Black & Veatch  
 BMC Software, Inc.  
 Boeing Co.  
 Boston Scientific  
 Bourns, Inc.  
 Brookhaven Science Associates, LLC  
 Brooks Automation  
 BSI Consultants  
 C R Bard, Inc.  
 CACI International  
 Cadence Design Systems, Inc.

Ceridian Corp.  
 Cerner  
 CIBER  
 Compass Technology Management, Inc.  
 Computer Sciences Corp.  
 Convergys Corp.  
 Cookson America, Inc.  
 Curtiss-Wright Corp.  
 Dade Behring  
 Datascope Corp.  
 Dell Inc.  
 DRS Technologies  
 Edwards Lifesciences  
 Electronic Arts  
 EMC Corp.  
 Emerson Electric Co.  
 Energizer Holdings, Inc.  
 Energy Conversion Devices  
 Enterasys Network, Inc.  
 EntreMed, Inc.  
 Epson America, Inc.  
 Ericsson Inc.  
 Esterline Technologies  
 Experian  
 Fairchild Semiconductor International  
 Fanuc Robotics  
 FM Global  
 Fujitsu North America  
 Gateway, Inc.  
 General Electric Co.  
 Genzyme Corp.  
 Getronics  
 GTECH Holdings Corp.  
 Honeywell (MN)  
 Human Genome Sciences Inc.  
 Hutchinson Technology, Inc.  
 IBM  
 Imagistics International Inc.  
 Instron Corp.  
 Intier Automotive Seating  
 Invensys, Inc.  
 Jacobs Sverdrup  
 Lanier Worldwide  
 Lason, Inc.  
 Lawson Software

**Energy & Chemicals**

Abbott Laboratories  
 Allergan, Inc.  
 Alliant Energy Corp.  
 Ameren Corp.  
 American Electric Power Co.  
 Amgen Inc.  
 Apache Corp.  
 Aquila, Inc.

LeCroy Corp.  
 Lincoln Electric Co.  
 Lockheed Martin Corp.  
 LTX Corp.  
 Medtronic, Inc.  
 MEMC Electronic Materials  
 MITRE Corp.  
 Mitsubishi Electric  
 Motorola  
 NCR Corp.  
 Northrop Grumman  
 Online Computer Library Center (OCLC)  
 Oracle  
 Orbital Sciences Corp.  
 Osram Sylvania  
 Panduit Corp.  
 Parametric Technology Corp.  
 PerkinElmer, Inc.  
 Progress Software  
 Qualcomm, Inc.  
 Raytheon Co.  
 Rockwell Automation  
 Rosemount Inc.  
 S & C Electric Co.  
 Sabreliner  
 SAIC  
 Sony Electronics Inc.  
 Sorin Group, North America  
 Square D/Schneider Electric  
 SRA International, Inc.  
 St. Jude Medical, Inc. (MN)  
 Stratus Technologies, Inc.  
 Sun Microsystems, Inc.  
 Sybase, Inc.  
 Teledyne Technologies, Inc.  
 Texas Instruments  
 Textron Inc.  
 Toshiba America Electronic Components  
 Trimble Navigation  
 Tyco Electronics Corp.  
 Unisys Corp.  
 Vanner Inc.  
 Waters Corp.  
 West Penn Wire Division of Belden CDT Inc.  
 Zimmer Inc.

Arizona Public Service Co.  
 ArQule  
 ASARCO Inc.  
 Astellas US LLC  
 Avista Corp.  
 Baker Hughes, Inc.  
 Big Rivers Electric Corp.  
 BIOGEN IDEC

- ✓ Brazos Electric Power Cooperative, Inc.
- Bristol-Myers Squibb Co.
- Cabot Corp.
- Calpine Corp.
- Cameron
- CF Industries, Inc.
- Charles River Laboratories
- Chevron Corp.
- Citgo Petroleum Corp.
- City Utilities of Springfield (MO)
- Cleco Corp.
- Columbian Chemicals Co.
- ConocoPhillips
- Consolidated Edison Co., Inc. (NY)
- Constellation Energy
- Covanta Energy Corp.
- Cubist Pharmaceuticals, Inc.
- Dayton Power & Light Co.
- Devon Energy
- ✓ Dominion Resources, Inc.
- Dow Chemical Co.
- Dow Corning
- Drummond Company, Inc.
- Duke Energy
- Dynegy DMG Inc.
- Dynegy DNE Inc.
- Dynegy, Inc.
- East Bay Municipal Utility District
- ✓ East Kentucky Power Cooperative
- Ecolab Inc.
- El Paso Corp.
- Energy East
- Entergy Corp.
- Equitable Resources, Inc.
- FirstEnergy Corp.
- ✓ Florida Power & Light
- Forest Laboratories, Inc.
- Freeport McMoran Copper and Gold
- Genentech, Inc.
- Graymont Western US Inc.
- Great Plains Energy
- ✓ Great River Energy
- GWF Power Systems
- Halliburton Co.
- ICOS Corp.
- International Flavors & Fragrances, Inc.
- Johnson & Johnson
- KeySpan Corp.
- Kinder Morgan
- Lower Colorado River Authority
- Lubrizol Corp.
- Madison Gas and Electric Co.
- Marathon Petroleum
- McDermott, Inc.
- Merck & Co., Inc.
- MidAmerican Energy Holdings Co.
- Millennium Pharmaceuticals, Inc.
- Monsanto Co.
- Mosaic Co.
- Murphy Oil Corp.
- N L Industries, Inc.
- Nalco Co.
- Novartis Pharmaceuticals Corp.
- NSTAR
- OCI Chemical Corp.
- OMI, Inc.
- Orlando Utilities Commission
- Pacific Gas & Electric
- PacifiCorp
- Pepco Holdings Inc.
- Phelps Dodge Corp.
- PNM Resources, Inc.
- PPL Corp.
- Praxair
- Procter & Gamble, Inc.
- Public Service Enterprise Group
- Puget Sound Energy
- Rhodia Inc.
- Rio Tinto America Inc.
- Sacramento Municipal Utility District
- Salt River Project (SRP)
- Schering Plough Corp.
- SEMCO Energy, Inc.
- Sempra Energy
- Shell Oil Co.
- Shire
- Southern Co.
- Southwest Gas Corp.
- Southwestern Energy Co.
- Stepan Co.
- Tesoro Petroleum Corp.
- Valero Energy Corp.
- Valspar Corp.
- W R Grace & Co.
- Washington-St. Tammany Electric Coop.
- Xcel Energy
- Yamanouchi Consumer Inc.

### **Nonprofit and Government**

- American Cancer Society, Inc.
- American Diabetes Association
- American Petroleum Institute
- Arlington County Government (VA)
- Art Institute of Chicago
- Augsburg College
- Battelle
- Boise Independent School District (ID)

Carleton College	National Geographic Society
Center for Innovative Technology (CIT)	National Restaurant Association
Charles Stark Draper Laboratory, Inc.	Northern Michigan University
Chesterfield County (VA)	NYSNA Benefits Fund
Church of the Nazarene	Oakland County (CA)
City of Austin, (TX)	Prince George's County Government (MD)
City of Casa Grande (AZ)	Rochester Institute of Technology
City of Chesapeake, General (VA)	Rockefeller Foundation
City of Fort Worth (TX)	Salk Institute for Biological Studies
City of Hampton (VA)	San Diego State University Foundation
City of Houston, Municipal (TX)	Scripps Research Insititute
City of Little Rock (AR)	Sisters of St. Francis
City of Littleton (CO)	Society of Manufacturing Engineers (SME)
City of Midland (MI)	Southeastern Public Service Authority
City of Portland (OR)	Stanford University
City of Roanoke (VA)	State of Indiana
City of Virginia Beach, General (VA)	State of Michigan
CNA Corp.	State of Minnesota
Cold Spring Harbor Laboratory	State of Missouri
Commonwealth of Pennsylvania	State of Ohio
Denver Public Schools (CO)	State of South Carolina
Duke University	Underwriters Laboratories Inc.
Environmental Defense	University Corp. for Atmospheric Research
Federal Reserve Bank of St. Louis	University of Alabama at Birmingham
Federal Reserve Board	University of Michigan
Harris County, Police and Municipal (TX)	University of Minnesota
Harvard University	University of Missouri
Hazelden Foundation	University of North Carolina (Greensboro)
J. Paul Getty Trust	University of Notre Dame
Jet Propulsion Laboratory	University of Pennsylvania
Johns Hopkins University	University of Rochester
Joint Commission	University of San Diego
LifeWay Christian Resources of SBC	University of St. Thomas
Lutheran Church - Missouri Synod	University of Vermont
Maricopa County (AZ)	University System of New Hampshire
Maricopa County Community College Dist.	Vanderbilt University
Massachusetts Institute of Technology	Vanguard University
Miami University (OH)	World Vision
Ministers & Missionaries Benefit Board	Yale University
Missouri Department of Transportation	

## Appendix C - Participating Employers

3Com	Amica Mutual Insurance Co.
A O Smith Corp.	AmSouth Bancorporation
A. G. Edwards & Sons	AMSTED Industries, Inc.
ABB Inc.	Analog Devices Inc.
Abbott Laboratories	Andersen Corp.
Abt Associates Inc.	Anne Arundel Medical Center
ACCO Brands Corp.	Apache Corp.
ACI Worldwide	Apollo Group Inc.
Adaptec, Inc.	Appalachian Regional Healthcare, Inc.
Adobe Systems	Apple Computer, Inc.
Advanced Medical Optics, Inc.	Applebee's International, Inc. (KC)
Aerojet East	Applera Corp.
Aetna, Inc.	Aquila, Inc.
Agere Systems Inc.	Aramark Services, Inc.
Agilent Technologies, Inc.	Archer Daniels Midland Co.
AgReliant Genetics	Argonne National Laboratory
Ahold USA	Arizona Public Service Co.
Akron Children's Hospital	Ark Asset Management Co., Inc.
Albert Einstein Healthcare Network	Arlington County Government (VA)
Alegent Health	Army & Air Force Exchange Service
Aleris International Inc.	ArQule
Alexander & Baldwin, Inc.	Art Institute of Chicago
Allergan, Inc.	Asante Health System
Alliance Data Systems	ASARCO Inc.
Alliant Energy Corp.	Ascension Health
Alliant Techsystems Inc.	Assemblies of God Financial
Allied Waste Industries	Astellas US LLC
Allina Hospitals and Clinics	Astoria Federal Savings
Alltel	AT Cross Co.
Alta Bates Summit Medical Center	Atlantic Health System
AltaMed Health Services Corp.	Augsburg College
Alticor Inc.	Austin Industries
Altria Group	Auto Club Group
Amcors PET Packaging USA, Inc.	Automobile Club of Southern CA
Amdocs	Auto-Owners Insurance Co.
Ameren Corp.	Avago Technologies
America Online, Inc.	Avamere Health Services
American Cancer Society, Inc.	Avaya Inc.
American Commerce Insurance Co.	Avery Dennison
American Diabetes Association	Avista Corp.
American Electric Power Co.	Aviva
American Express Co.	BAE Systems
American Honda Motor Co.	Baker Hughes, Inc.
American Medical Systems Inc.	Bank of America Corp.
American Petroleum Institute	Bank-Fund Staff Federal Credit Union
American Red Cross (National)	BankUnited, FSB
American Standard	Banner Health System (Arizona)
American United Life	Baptist Health South Florida, Inc.
Ameriprise Financial	Baptist Health System (Birmingham, AL)
Amerisure Mutual Insurance Co.	Baptist Health System (Jacksonville, FL)
AMF Bowling	Baptist Health Systems (Jackson, MS)
Amgen Inc.	Baptist Memorial Health Care Corp.

Barnes & Noble, Inc.	Bucyrus International
Barr Engineering Co.	Budd Co.
Bath Iron Works Corp.	Bunge North America, Inc.
Battelle	Butler Manufacturing Corp.
Bausch & Lomb, Inc.	C R Bard, Inc.
Baxter International Inc.	C.H. Robinson Worldwide, Inc.
Baylor Health Care System	Cabot Corp.
BB&T Corp.	CACI International
BCBS of Michigan	Cadbury Schweppes CBI Holdings
BCBS of Minnesota	Cadence Design Systems, Inc.
BCBS of Rhode Island	Caldwell Memorial Hospital
BCBS of South Carolina	Calpine Corp.
Beam Global Spirits & Wine, Inc.	Cameron
Bear Stearns Companies, Inc.	Campbell Soup Co.
BearingPoint, Inc.	Capital One Financial Corp.
Beckman Coulter, Inc.	Cardinal Health
Becton Dickinson and Co.	Care New England
Beebe Medical Center	CareFirst BlueCross BlueShield
Belden Inc.	Carleton College
Best Buy Co., Inc.	Carolinas HealthCare System
Beth Israel Deaconess Medical Center	Carondelet Health
Big Rivers Electric Corp.	Carpenter Technology
BIOGEN IDEC	Casey's General Stores
Bio-Rad Labs Inc.	Catawba Valley Medical Center
BJC HealthCare	Caterpillar, Inc.
Black & Veatch	Catholic Healthcare West
BlackRock, Inc.	CB Richard Ellis
Blood Systems, Inc.	CBS Corp.
Blue Shield of California	CDW Corp.
BMC Software, Inc.	Celtic Insurance
BMW Manufacturing Corp.	Center for Innovative Technology (CIT)
BMW of North America, Inc.	CentraCare Health System
Boeing Co.	Central Garden & Pet
Boise Independent School District (ID)	Cenveo, Inc.
Bon-Ton Stores, Inc.	Ceridian Corp.
Borgess Medical Center	Cerner
BOSE Corp.	CF Industries, Inc.
Boston Medical Center	Charles River Laboratories
Boston Scientific	Charles Schwab Corp.
Botsford General Hospital	Charles Stark Draper Laboratory, Inc.
Bourns, Inc.	Cherry Corp.
Brazos Electric Power Cooperative, Inc.	Chesterfield County (VA)
Breakers Palm Beach, Inc.	Chevron Corp.
Bremer Financial Corp.	Chicago Board of Trade
Brigham and Women's Hospital	Children's Healthcare of Atlanta
Brinker International	Children's Hosp. and Research Ctr. Oakland
Bristol-Myers Squibb Co.	Children's Hospital Boston
Broadmoor Hotel, Inc.	Children's Hospital Los Angeles
Bronson Healthcare Group, Inc.	Children's Hospital National Medical Ctr.
Brookhaven Science Associates, LLC	Children's Hospital of Orange County (CA)
Brooks Automation	Children's Hospital of Philadelphia
Brooks Rehabilitation Hospital	Children's Hospitals and Clinics of MN
Brown Brothers Harriman & Co.	Chittenden Corp.
Brown Forman Corp.	Christiana Care Health System
Brown Shoe	CHRISTUS Health
BSI Consultants	Chrysler, LLC

CHS  
 Church of the Nazarene  
 CIBER  
 Cincinnati Financial Corp.  
 CIT Group Inc.  
 Citgo Petroleum Corp.  
 Citigroup Inc.  
 Citizens Financial Bank (Munster, IN)  
 Citizens Financial Group, Inc.  
 City of Austin, (TX)  
 City of Casa Grande (AZ)  
 City of Chesapeake, General (VA)  
 City of Fort Worth (TX)  
 City of Hampton (VA)  
 City of Hope National Medical Center  
 City of Houston, Municipal (TX)  
 City of Little Rock (AR)  
 City of Littleton (CO)  
 City of Midland (MI)  
 City of Portland (OR)  
 City of Roanoke (VA)  
 City of Virginia Beach, General (VA)  
 City Utilities of Springfield (MO)  
 Cleco Corp.  
 CNA Corp.  
 Coca-Cola Co.  
 Coca-Cola Enterprises Inc.  
 Cold Spring Harbor Laboratory  
 Colgate-Palmolive Co.  
 Colonial Group Inc.  
 Columbian Chemicals Co.  
 Columbus McKinnon Corp.  
 Comau Inc.  
 Comcast Corp.  
 Commerce Bancshares, Inc.  
 Commerce Insurance Co.  
 Commonwealth of Pennsylvania  
 Community Hosp. of the Monterey Peninsula  
 Compass Bancshares, Inc.  
 Compass Group North American Division  
 Compass Technology Management, Inc.  
 Computer Sciences Corp.  
 ConocoPhillips  
 Consolidated Edison Co., Inc. (NY)  
 Constellation Brands  
 Constellation Energy  
 Continental Group Inc.  
 Convergys Corp.  
 Converium Reinsurance (NA) Inc.  
 Cookson America, Inc.  
 Cooper Tire & Rubber Co.  
 Corning Inc.  
 Cottage Health System  
 Countrywide Financial Corp.  
 Covanta Energy Corp.  
 Coventry Health Care, Inc.  
 Cox Communications  
 Cox Enterprises, Inc.  
 CPI Corp.  
 Cranston Print Works Co.  
 Crete Carrier Corp.  
 Crown Holdings  
 Crozer-Keystone Health System  
 CSX Corp.  
 Cubist Pharmaceuticals, Inc.  
 Curtiss-Wright Corp.  
 CVPH Medical Center  
 CVS/Caremark Corp.  
 Dade Behring  
 Dairy Farmers of America  
 Dameron Hospital Association  
 Datascope Corp.  
 David T. Chase Enterprises, Inc.  
 DaVita  
 Dayton Power & Light Co.  
 Dekalb Medical Center  
 Dell Inc.  
 Delphi Corp.  
 Delta and Pine Land Co.  
 DENSO International America, Inc.  
 Denver Health and Hospital Authority  
 Denver Public Schools (CO)  
 Detroit Medical Center  
 Deutsche Bank  
 Devon Energy  
 Dick's Sporting Goods  
 Diebold, Inc.  
 Dispatch Printing Co.  
 Do it Best  
 Dolby Laboratories  
 Dole Food Co., Inc.  
 Dollar General Corp.  
 Dominican Hospital (CHW)  
 Dominion Resources, Inc.  
 Donaldson Co., Inc.  
 Dow Chemical Co.  
 Dow Corning  
 Downey Savings and Loan Association  
 Dresser-Rand Co.  
 DRS Technologies  
 Drummond Company, Inc.  
 DST System  
 Duke Energy  
 Duke University  
 Dunkin' Brands, Inc.  
 Dynegy DMG Inc.  
 Dynegy DNE Inc.  
 Dynegy, Inc.  
 E.W. Scripps Co.  
 East Bay Municipal Utility District  
 East Kentucky Power Cooperative

East Texas Medical Center (Tyler)	Forest Laboratories, Inc.
Eaton Corp.	Forrest General Hospital
eBay	Forum Health System
Ecolab Inc.	Four Seasons Hotels Limited
Edison Properties, LLC	Fox Entertainment Group
EDW C. Levy Co.	Frankenmuth Mutual Insurance Co.
Edward Jones	Frankford Hospital
Edwards Lifesciences	Franklin Templeton Investments
Eisenhower Medical Center	Freeport McMoran Copper and Gold
El Camino Hospital	Fresenius Medical Care
El Paso Corp.	Friendly Ice Cream Corp.
Electrolux	Fujitsu North America
Electronic Arts	Fulbright & Jaworski LLP
EMC Corp.	Gateway, Inc.
Emerson Electric Co.	Genentech, Inc.
Emory HealthCare	General Dynamics (Adv. Info Sys. & Netw.)
Energizer Holdings, Inc.	General Electric Co.
Energy Conversion Devices	General Mills, Inc.
Energy East	General Motors Corp.
Enterasys Network, Inc.	Genesco Inc.
Entergy Corp.	Genesis HealthCare
EntreMed, Inc.	Genie Industries
Environmental Defense	Genzyme Corp.
Epson America, Inc.	Getronics
Equifax, Inc.	Getty Images, Inc.
Equitable Resources, Inc.	Gibraltar Industries
Equity Office Properties	Giddings & Lewis, LLC
Ericsson Inc.	Gilbert Medical/Chanler Regional (CHW)
Erie Insurance Group	Gillette Co.
ESCO Technologies Inc.	GMAC
Esterline Technologies	GMAC Insurance Management Corp.
Everett Smith Group	GMAC Mortgage Group, Inc.
Exel, Inc.	Goldman Sachs Group
Experian	Goodyear Tire & Rubber Co.
Express Scripts, Inc.	Gottlieb Memorial Hospital
Fairchild Semiconductor International	Graco, Inc.
Fairview Health Services	Grange Mutual Casualty Co.
Fallon Clinic, Inc.	Graybar Electric
Fanuc Robotics	Graymont Western US Inc.
Federal National Mortgage Association	Great American Insurance Co.
Federal Reserve Bank of St. Louis	Great Plains Energy
Federal Reserve Board	Great River Energy
Fenwick & West LLP	Greenbrier Hotel
Ferrellgas Partners, LP	Greenville Hospital System
Fidelity Investments	Greif Inc.
Fifth Third Bank	GTECH Holdings Corp.
First Financial Bancorp	GTSI Corp.
FirstEnergy Corp.	GWF Power Systems
Fletcher Allen Health Care	H. E. Butt Grocery Co.
Florida Power & Light	H.J. Heinz Co.
Flow International Corp.	Hackley Medical Center
FM Global	Halliburton Co.
FMC Technologies, Inc.	Hanna Andersson
Foamex International	Hannaford Brothers Co.
Foote Hospital	Harris County Hospital District (TX)
Ford Motor Co.	Harris County, Police and Municipal (TX)

Harte-Hanks, Inc.  
 Hartford Financial Services Group  
 Harvard Pilgrim Health Care  
 Harvard University  
 Hasbro, Inc.  
 Haworth  
 Hazelden Foundation  
 HCA Inc.  
 Health Alliance  
 Health Alliance Plan  
 Health Care Service Corp.  
 Health Net, Inc.  
 HealthEast Care System  
 HealthPartners, Inc.  
 Helac Corp.  
 Helix Technology Corp. (Brooks Automation)  
 Henry Ford Health System  
 Hershey Foods Co.  
 Highmark Inc.  
 Hill's Pet Nutrition, Inc.  
 Hilton Hotels Corp.  
 Hitachi Global Storage Technologies, Inc.  
 HOLCIM (US) Inc.  
 Holstein Association USA, Inc.  
 Holy Redeemer Health System  
 Honda of America Manufacturing, Inc.  
 Honeywell (MN)  
 Honeywell International  
 Hormel Foods Corp.  
 Hospital Sisters Health System  
 HSBC Bank USA  
 Human Genome Sciences Inc.  
 Humility of Mary Health Partners  
 Hunter Industries  
 Huntington Bancshares Inc.  
 Huntington Memorial Hospital  
 Hutchinson Technology, Inc.  
 Hyundai Motor America  
 Hyundai Motor Manufacturing of Alabama  
 IBM  
 ICOS Corp.  
 Idearc Media Corp.  
 Illinois Tool Works, Inc.  
 Imagistics International Inc.  
 Industrial Alliance Pacific  
 Indymac Bank, F.S.B.  
 ING Americas  
 Ingersoll Rand Co.  
 Ingram Micro  
 Inova Health System  
 Instron Corp.  
 Intercontinental Hotels, Inc.  
 Intermountain Health Care  
 International Data Group  
 International Flavors & Fragrances, Inc.  
 International Paper Co.  
 Interstate Resources, Inc.  
 Intier Automotive Seating  
 Intrawest  
 Invensys, Inc.  
 Iowa Health System  
 Irvine Co.  
 Irvine Regional Hospital and Medical Ctr.  
 Isuzu Motors America, Inc.  
 J. Paul Getty Trust  
 J. R. Simplot Co.  
 J.B. Hunt Transport, Inc.  
 Jackson Health System (Memorial Hosp.)  
 Jacobs Sverdrup  
 James Campbell Co. LLC  
 JCPenney  
 Jefferson Memorial Hospital  
 Jervis B. Webb Co.  
 Jet Propulsion Laboratory  
 JetBlue Airways Corp.  
 JLG Industries, Inc.  
 JM Family Enterprises, Inc.  
 John Deere (Deere & Co.)  
 John Hancock Financial Services  
 John Muir Health  
 John Wiley & Sons, Inc.  
 Johns Hopkins Health System Corp./Hosp.  
 Johns Hopkins University  
 Johnson & Johnson  
 Johnson Controls, Inc. (Automotive Exp.)  
 Joint Commission  
 JPMorgan Chase  
 Kaiser Permanente (Colorado)  
 Kaiser Permanente (Hawaii)  
 Kaiser Permanente (Northern California)  
 Keane, Inc.  
 Kennametal Inc.  
 Kennedy Health System  
 Kennedy Krieger Institute  
 KeyCorp  
 KeySpan Corp.  
 Kinder Morgan  
 King & Spalding  
 Knights of Columbus  
 Kraft Foods, Inc.  
 Krueger International, Inc.  
 Kurt Manufacturing Co.  
 L.L. Bean, Inc.  
 Lahey Clinic  
 Land O'Lakes, Inc.  
 Lanier Worldwide  
 Lason, Inc.  
 Lawson Software  
 Lazard Freres & Co. LLC  
 Lear Corp.  
 LeCroy Corp.  
 Lehigh Valley Hospital

Lehman Brothers	MedStar Health (Washington Hospital Ctr.)
Lennar Corp.	Medtronic, Inc.
Level 3 Communications	MEMC Electronic Materials
Liberty Mutual Insurance Co.	Memorial Health System of East Texas
Life Bridge Health	Memorial Healthcare System
Lifespan/Rhode Island Hospital	Memorial Hermann Healthcare System
Lifetime Healthcare Companies	Mercedes-Benz U.S. International, Inc.
LifeWay Christian Resources of SBC	Mercedes-Benz USA, LLC
Lincoln Electric Co.	Merck & Co., Inc.
Little Caesar Enterprises, Inc.	Mercy Hospital (FL)
Lockheed Martin Corp.	Mercy Medical Center (Baltimore, MD)
Longaberger Co.	Meridian Automotive Systems, Inc.
Louisiana Pacific Corp.	MeritCare Health System
Lourdes Health System	Merrill Corp.
Lower Colorado River Authority	Methodist Health System
LTX Corp.	Methodist Hospital System (Houston, TX)
Lubrizol Corp.	Methodist Hospitals, Inc. (IN)
Lutheran Church - Missouri Synod	Methodist LeBonheur Healthcare (TN)
Lydall, Inc.	MFS Investment Management
M&T Bank Corp.	Miami Children's Hospital
Macy's Inc.	Miami University (OH)
Madison Gas and Electric Co.	Michaels Stores
Main Line Health	MidAmerican Energy Holdings Co.
Maine Medical Center	MidMichigan Health
Manitowoc Co., Inc.	Milacron, Inc.
Manpower, Inc.	Millennium Pharmaceuticals, Inc.
Marathon Petroleum	Millipore Corp.
Maricopa County (AZ)	Ministers & Missionaries Benefit Board
Maricopa County Community College Dist.	Mission Federal Credit Union
Maritz Inc.	Missouri Department of Transportation
Mars Inc.	MITRE Corp.
Marsh Supermarkets	Mitsubishi Electric
Martco	Mitsubishi Motors North America (Mfg.)
Mary Kay Inc.	Mitsubishi Motors North America (Sales)
MASCO Corp.	Mizuho Corporate Bank, Ltd.
Mass Mutual Life Insurance Co.	Moet Hennessy USA, Inc.
Massachusetts General Hospital	Mohawk Industries
Massachusetts Institute of Technology	Monier Life Tile
Massachusetts Port Authority	Monsanto Co.
Master Lock Co.	Mosaic Co.
MasterBrand Cabinets, Inc.	Motorola
MasterCard Worldwide	Mt. Washington Pediatric Hospital
Mayo Clinic (Jacksonville, FL)	Munson Medical Center
Mayo Clinic (Rochester, MN)	Murphy Oil Corp.
Mayo Clinic (Scottsdale, AZ)	Mutual of Omaha
Mazda North American Operations	Mycogen Seeds
McCain Foods USA, Inc.	N L Industries, Inc.
McCarthy Building Companies	Nalco Co.
McDermott, Inc.	Nash Finch Co.
MCG Health, Inc.	National City Corp.
McGuireWoods LLP	National Geographic Society
MDC Holdings, Inc.	National Grange Mutual Insurance Co.
Medical Mutual of Ohio	National Restaurant Association
Medical University Hospital Authority	Nationwide Life Insurance Enterprise
MedStar Health (Baltimore, MD)	Natividad Medical Center
MedStar Health (Georgetown, DC)	Navy Exchange Service Command

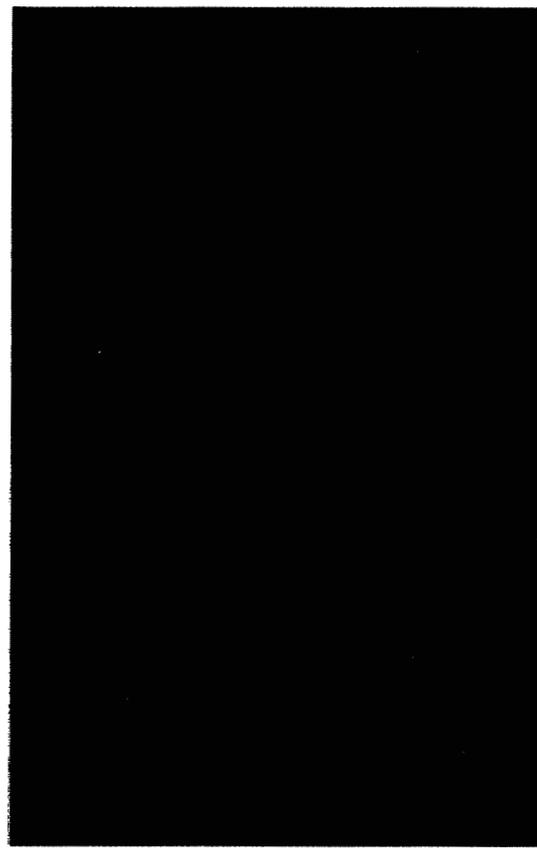
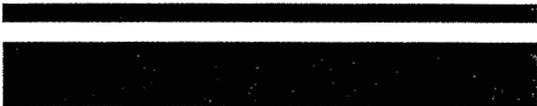
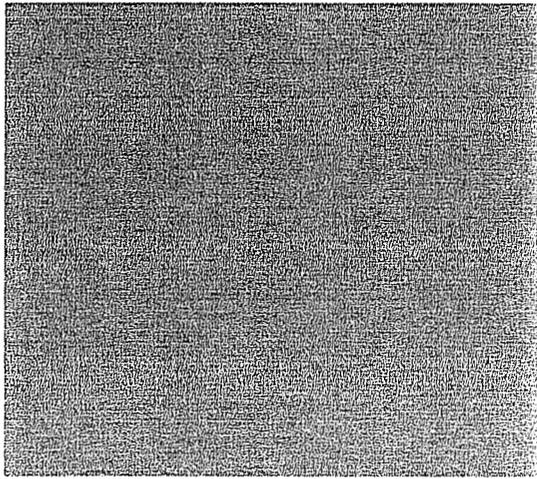
NCR Corp.  
 Nebraska Medical Center  
 Nemours  
 New England Baptist Hospital  
 New United Motor Manufacturing, Inc.  
 Nintendo of America Inc.  
 Nissan North America, Inc. (Mfg.)  
 Nissan North America, Inc. (Sales)  
 Nomura Securities International, Inc.  
 Nordson Corp.  
 Norfolk Southern Corp.  
 Norman Regional Health System  
 Nortel Networks  
 North Broward Hospital District  
 North Island Credit Union  
 North Memorial Health Care  
 North Mississippi Health Services, Inc.  
 Northeast Georgia Health System, Inc.  
 Northeast Medical Center  
 Northern Michigan Regional Health System  
 Northern Michigan University  
 Northrop Grumman  
 Northside Hospital  
 Northwest Airlines, Inc.  
 Northwestern Memorial Hospital  
 Northwestern Mutual Life Insurance Co.  
 Novant Health  
 Novartis Pharmaceuticals Corp.  
 NOVO1, Inc.  
 NSTAR  
 NYSNA Benefits Fund  
 Oakland County (CA)  
 Oakwood Healthcare System  
 OCI Chemical Corp.  
 Office Depot  
 Ohio Casualty Insurance Co.  
 Olin Corp.  
 OMI, Inc.  
 OneBeacon Insurance  
 Online Computer Library Center (OCLC)  
 Oracle  
 Orange County Teachers' FCU (CA)  
 Orbital Sciences Corp.  
 Oregon Mutual Insurance  
 O'Reilly Automotive Inc.  
 Orlando Utilities Commission  
 Orvis Co., Inc.  
 Osram Sylvania  
 Owens Corning  
 PACCAR Inc.  
 Pacific Gas & Electric  
 Pacific Life  
 PacifiCorp  
 Palmetto Health Alliance  
 Panduit Corp.  
 Papa John's International Inc.  
 Parametric Technology Corp.  
 PAREXEL International Corp.  
 Park Nicollet Health Services  
 Parker Jewish Institute for HC and Rehab  
 Parkland Health & Hospital System  
 Paychex, Inc.  
 Payless Shoesource Worldwide, Inc.  
 Peak Technologies, Inc.  
 Pebble Beach Co.  
 Pep Boys - Manny, Moe & Jack  
 Pepco Holdings Inc.  
 PepsiAmericas, Inc.  
 PepsiCo, Inc.  
 PerkinElmer, Inc.  
 Peter Kiewit Sons' Inc.  
 Petroleum Helicopters, Inc.  
 Phelps Dodge Corp.  
 Philip Morris USA  
 Pier 1 Imports, Inc.  
 Pilgrim's Pride Corp.  
 Pillsbury Winthrop Shaw Pittman LLP  
 Piper Jaffray Inc.  
 Plastech Engineered Products, Inc.  
 Plastipak Packaging, Inc.  
 Playtex Products, Inc.  
 PNC Financial Services Group  
 PNM Resources, Inc.  
 Polaris Industries  
 PolyOne Corp.  
 Potomac Hospital  
 PPL Corp.  
 Praxair  
 Premera Blue Cross  
 Prince George's County Government (MD)  
 Principal Financial Group  
 Printpack, Inc.  
 Procter & Gamble, Inc.  
 Progress Software  
 Providence Health System (AK)  
 Providence Health System (OR)  
 Public Service Enterprise Group  
 Publicis Group  
 Puget Sound Energy  
 Pulte Homes, Inc.  
 PWEagle, Inc.  
 Qualcomm, Inc.  
 Quanex  
 Queen's Medical Center  
 Qwest Communications International, Inc.  
 Rady Children's Hospital, San Diego  
 RailAmerica, Inc.  
 Ralcorp Holdings, Inc.  
 Raytheon Co.  
 RBC Dain Rauscher Corp.  
 Readers Digest Association, Inc.  
 Redlands Community Hospital

Regional Medical Center At Memphis  
 Regions Bank (Union Planters)  
 Reliance Insurance Co.  
 Rent A Center, Inc.  
 Restaurants Unlimited, Inc.  
 Reston Hospital Center  
 Reuters America, Inc.  
 RGA Reinsurance  
 Rheem Manufacturing (Water Heater Div.)  
 Rhodia Inc.  
 Riceland Foods, Inc.  
 Rio Tinto America Inc.  
 River Oaks Health System  
 Robert Bosch Corp.  
 Robert W. Baird & Co. Inc.  
 Rochester Institute of Technology  
 Rockefeller Foundation  
 Rockwell Automation  
 Roper St. Francis HC (Care Alliance)  
 Rosemount Inc.  
 S & C Electric Co.  
 Sabreliner  
 Sacramento Municipal Utility District  
 Safeway, Inc.  
 SAIC  
 Saint Francis Health System (OK)  
 Saks Inc.  
 Salinas Valley Memorial Healthcare System  
 Salk Institute for Biological Studies  
 Salt River Project (SRP)  
 San Diego State University Foundation  
 Sappi Fine Paper North America  
 Sara Lee Corp.  
 Sauer-Danfoss  
 Schering Plough Corp.  
 Scholastic Corp.  
 Schreiber Foods, Inc.  
 Scitor  
 Scottrade  
 Scottsdale Healthcare Corp.  
 Scripps Health  
 Scripps Research Insititute  
 Sealy, Inc.  
 Securian Financial Group  
 SEMCO Energy, Inc.  
 Sempra Energy  
 Senco Products, Inc.  
 Sentry Insurance  
 ServiceMaster Co.  
 Shell Oil Co.  
 Shelter Mutual Insurance Co.  
 Sherwin Williams, Inc.  
 Shire  
 Sibley Memorial Hospital  
 Sigma-Aldrich Corp.  
 Silgan Containers Corp.  
 Silgan Plastics Corp.  
 Simon Property Group  
 Sister's of Mercy Health Care  
 Sisters of St. Francis  
 SLM Corp.  
 Smurfit-Stone Container Corp.  
 Society of Manufacturing Engineers (SME)  
 Sodexo, Inc.  
 Solectron  
 Sony Electronics Inc.  
 Sony Ericsson Mobile Communications  
 Sorin Group, North America  
 South Bend Medical Foundation, Inc.  
 Southco, Inc.  
 Southeastern Public Service Authority  
 Southern Co.  
 Southern Regional Health System  
 Southern States Cooperative, Inc.  
 Southwest Airlines Co.  
 Southwest Gas Corp.  
 Southwestern Energy Co.  
 Sparrow Health System  
 Spartan Stores, Inc.  
 Spectrum Health  
 Spirax Sarco  
 Sports Authority  
 Sprint Corp.  
 SPX Corp.  
 Square D/Schneider Electric  
 SRA International, Inc.  
 SSM Health Care (MO)  
 St. Anthony's Medical Center (MO)  
 St. Cloud Hospital  
 St. John Health (MI)  
 St. John's Health System (Springfield, MO)  
 St. Joseph Health System (Mission Hosp.)  
 St. Joseph Health System (Orange, CA)  
 St. Joseph Health System (St. Jude)  
 St. Joseph Medical Center (Towson, MD)  
 St. Joseph Mercy Health System (MI)  
 St. Joseph's Hospital of Atlanta (GA)  
 St. Joseph's Medical Center (AZ)  
 St. Jude Children's Research Hospital (TN)  
 St. Jude Medical, Inc. (MN)  
 St. Luke's Episcopal Health System (TX)  
 St. Mary's Medical Center (WV)  
 St. Vincent Health System (AR)  
 Standard Pacific Corp.  
 Standex International Corp.  
 Stanford University  
 Stanford University Medical Center  
 Staples, Inc.  
 Starboard Cruise Services, Inc.  
 Starbucks Coffee Co.  
 State Auto Insurance Co.  
 State of Indiana

State of Michigan  
 State of Minnesota  
 State of Missouri  
 State of Ohio  
 State of South Carolina  
 State Street Bank & Trust Co.  
 Station Casinos, Inc.  
 Stepan Co.  
 Stratus Technologies, Inc.  
 Stryker Instruments  
 Subaru of America, Inc.  
 Subaru of Indiana Automotive, Inc.  
 Summa  
 Sun Health Corp.  
 Sun Life Financial  
 Sun Microsystems, Inc.  
 SunTrust Bank  
 Superior Industries International  
 Swedish Match North America Inc.  
 Swinerton Inc.  
 Sybase, Inc.  
 Talbots, Inc.  
 Target Corp.  
 Teledyne Technologies, Inc.  
 Temple University Hospital  
 Tenet Healthcare Corp.  
 Tenneco Automotive  
 Terex Corp.  
 Tesoro Petroleum Corp.  
 Texas Health Resources  
 Texas Industries, Inc.  
 Texas Instruments  
 Textron Inc.  
 Thomason Hospital  
 Thyssen Krupp Materials NA, Inc.  
 ThyssenKrupp Elevator  
 Timberland Co., Inc.  
 Titanium Metals Corp. (TIMET)  
 TJX Companies, Inc.  
 Toll Brothers  
 Toro Co.  
 Toshiba America Electronic Components  
 Total Petrochemicals USA, Inc.  
 Tower Automotive  
 Toyota Motor Manufacturing North America  
 Toyota Motor Sales, USA, Inc.  
 Transplace  
 Tribune Co.  
 TriMas Corp.  
 Trimble Navigation  
 Trinity Health  
 Truman Medical Center  
 Tufts Health Plan  
 Tyco Electronics Corp.  
 UBS Financial Services Inc.  
 UMass Memorial Health Care, Inc.  
 UMB Financial Corp.  
 Underwriters Laboratories Inc.  
 Union Pacific Corp.  
 Unisys Corp.  
 United Health Group  
 United Solar Ovonic  
 Unitrin, Inc.  
 Universal Health Services  
 University Corp. for Atmospheric Research  
 University Hospitals Health System  
 University of Alabama at Birmingham  
 University of Chicago Hospitals  
 University of Colorado Hospital  
 University of Florida Jacksonville Health  
 University of Maryland Medical System  
 University of Michigan  
 University of Minnesota  
 University of Missouri  
 University of North Carolina (Greensboro)  
 University of North Carolina HC Systems  
 University of Notre Dame  
 University of Pennsylvania  
 University of Pennsylvania Health System  
 University of Pittsburgh Medical Center  
 University of Rochester  
 University of San Diego  
 University of St. Thomas  
 University of Vermont  
 University of Wisconsin Medical Foundation  
 University System of New Hampshire  
 Univision Communications Inc.  
 Unum Group  
 US Bancorp  
 UST  
 Valero Energy Corp.  
 Valley Health  
 Valspar Corp.  
 Vanderbilt University  
 Vanguard Group  
 Vanguard University  
 Vanner Inc.  
 Varian Medical Systems, Inc.  
 VCU Health System  
 Verizon Communications  
 Vertrue Inc.  
 Vestas - American Wind Technology Inc.  
 VHA Inc.  
 Virginia Hospital Center  
 Visa USA  
 VITAS Healthcare Corp.  
 W R Grace & Co.  
 W. W. Grainger, Inc.  
 Wachovia Corp.  
 Waggener Edstrom Worldwide  
 WakeMed  
 Wal-Mart Stores, Inc.

Washington Mutual Bank  
Washington-St. Tammany Electric Coop.  
Waters Corp.  
Webster Bank  
Wellington Management Company, LLP  
Wellmark, Inc.  
WellPoint, Inc.  
Wells Fargo & Co.  
WellSpan Health  
WellStar Health System  
Wendy's International  
Wescom Credit Union  
West Penn Wire Division of Belden CDT Inc.  
Western Reserve Group  
Weston Solutions  
William Beaumont Hospital  
Wing Memorial Hospital  
Wolverine Worldwide  
Wood County Hospital Association, Inc.  
World Kitchen LLC  
World Vision  
Worthington Industries, Inc.  
Wyndham Worldwide Corp.  
Xcel Energy  
Yahoo! Inc.  
Yale University  
Yale-New Haven Hospital  
Yamanouchi Consumer Inc.  
Yazaki North America, Inc.  
YKK Corp. of America  
YRC Worldwide Inc.  
Yum! Brands, Inc.  
Yuma Regional Medical Center  
ZF Group NAO  
Zimmer Inc.

watsonwyatt.com



# **Big Rivers Electric Corporation**

## **Benchmarking Study and Salary Structure Update**

### **Market Comparison Results**

April 2008



# Overview

- Big Rivers Electric Corporation (“Big Rivers”) retained Watson Wyatt & Company (“Watson Wyatt”) to conduct a competitive benchmark assessment for ~100 staff and management positions.
- Specifically, the objectives of this study are to:
  - Conduct a comprehensive review of the salary management program and make recommendations to refine benchmark compensation.
  - Compare Big Rivers’ current base salary levels and practices for benchmark positions against the appropriate labor markets using nationally and regionally published surveys.
  - Review and update the current Big Rivers salary structure to better align with market competitive levels.
  - Recommend job evaluation changes for benchmark jobs and recommend job reassignment where necessary.
  - Slot Western Kentucky Electric (WKE) benchmark jobs into Big Rivers salary structure according to established market data.

## Overview (Cont.)

- This project focuses on base pay compensation and includes a review and update of the existing salary structures.
  - Total Cash information (salary and annual incentives) was also provided for reference

### **Big Rivers Benchmark Sample:**

- 110 benchmark jobs were market priced
- The 110 priced positions cover 125 out of 235 employees
  - 53% of employee population

# Methodology & Data Sources

- It is Big Rivers' objective to set employee base salary at competitive market rates. For purposes of this analysis, we have compared Big Rivers benchmark jobs to comparable positions at median market references.
- We utilized competitive data that reflect Big Rivers' labor market definition as shown below:

<i>Published Survey</i>	<i>Industry</i>	<i>Region</i>	<i>Scope</i>
<ul style="list-style-type: none"> <li>■ Watson Wyatt Data Services Gen Industry</li> <li>■ Mercer Gen Industry</li> <li>■ Mercer Energy &amp; Gen Industry</li> <li>■ G&amp;T Energy</li> </ul>	<ul style="list-style-type: none"> <li>■ Utilities &amp; Energy</li> <li>■ Incumbent Primary Industry Segment: Utility</li> <li>■ All Companies (Energy)</li> <li>■ All Organizations (if above scopes N/A)</li> </ul>	<ul style="list-style-type: none"> <li>■ Southeast</li> <li>■ National (if above scope N/A)</li> </ul>	<ul style="list-style-type: none"> <li>■ Revenue: \$100MM-\$300MM</li> <li>■ Revenue: &lt; \$600MM</li> <li>■ Revenue: &lt; \$500MM</li> <li>■ Total Employees &lt; than 1,000</li> <li>■ All Organizations (if above scopes N/A)</li> </ul>

- We utilized survey sources representing well-renown survey publishers (such as Watson Wyatt Data Services and Mercer) since that data is generally of higher quality and more consistent than smaller, niche survey sources. Additionally, we used the above Energy surveys to reflect market data for industry-specific positions.
- Relevant organizational revenue and size scopes were utilized for management-level positions and above only.

## Methodology & Data Sources (Cont.)

- **The following are notes regarding the methodology applied during this study:**
  - Big Rivers provided Watson Wyatt with a list and job descriptions for many of their key benchmark positions to be evaluated.
  - Positions were then matched to jobs in published surveys by comparing the job duties and responsibilities, education and experience requirements (not by job titles). Scopes and weightings were updated to reflect current asset size and employment levels at Big Rivers.
  - All matches were reviewed with the Human Resources staff to ensure the most accurate matches were selected.
  - Watson Wyatt gathered median (50th percentile) data as a competitive reference from published survey sources.
    - As the exact middle point in a set of observations, median is the most stable statistical measure of central tendency since it is resistant to “outliers,” or extreme observations.
  - Published base salary and total cash compensation for each benchmark position were pulled directly from survey sources as appropriate.

# Methodology & Data Sources (Cont.)

- All survey data have been aged forward to the common date of July 1, 2008, using an annualized update factor of 3.7%
  - Increase factor is based on projected salary increase survey data provided below:

INDUSTRY SECTOR	2008 Projected Salary Increases*			
	Executive	Technical/ Professional	Non-Exempt	All Employee Groups
General Industry:	3.9%	3.7%	3.7%	3.7%
Utilities Industry:	3.7%	3.7%	3.7%	3.7%

\* Data from 2007/2008 WWDS, Mercer, and WorldatWork survey sources.

# Market Assessment Findings

## Overall Competitive Assessment

- In comparison to the market data gathered, Big Rivers is well within competitive market pay regarding base salary (~1.9% below market).
- When compared to the market data gathered, the current salary structure is slightly below market (~4.5% below market).

Benchmark Sample	Base Pay	Structure Median
Big Rivers Structure	<u>Competitive</u> - Overall, 1.9% below median	<u>Competitive</u> - Overall, 4.5% below median

Competitive comparison of current employee salaries to median estimated (July 1, 2008) market values

# Next Steps

1. Update Structure according to typical market increases
  - We would recommend a 2.7% increase based on Average Midpoint Increases survey data:

INDUSTRY SECTOR:	2008 Projected Midpoint Increases			All Employee Groups
	Non-Exempt	Exempt	Executive	
General Industry:	2.8%	2.7%	2.6%	2.8%
Utilities & Energy Industry:	2.7%	2.8%	2.7%	2.8%

\* Data from 2007/2008 WWDS survey sources.

2. Recommend job evaluation changes for benchmark jobs and recommend job reassignment where necessary;
3. Slot WKE jobs into Big Rivers structure based on market data obtained during this study.
  - 92 WKE and Big Rivers jobs need to be slotted

**G&T MANAGERS' ASSOCIATION  
COMPENSATION SURVEY RESULTS  
2007**

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2007 NRECA G&T COMPENSATION SURVEY  
 SIZE OF LAST SALARY INCREASE BUDGET/  
 SIZE OF PROJECTED SALARY INCREASE BUDGET  
 (\*\*BOTH REPORTED AS A % OF PAYROLL)

ID. CODE	=== TECH POSITION ===		=== PROF POSITION ===		=== MGMT POSITION ===	
	LAST SAL INCREASE	PROJ SAL INCREASE	LAST SAL INCREASE	PROJ SAL INCREASE	LAST SAL INCREASE	PROJ SAL INCREASE
B01	4.00		4.00		4.00	
B02	5.00		5.00		5.00	
B04	3.40	3.00	3.40	3.00	3.40	3.00
B05	3.00	3.00	3.00	3.00	3.00	3.00
B06	3.00	3.00	3.00	5.00	3.00	5.00
B07			2.00	2.00	4.00	4.00
B11						
B12	4.00	4.00	3.75	3.75	3.75	3.75
B13	4.00	4.00	4.00	4.00	4.00	4.00
B14	3.30	3.30	4.00	4.00	4.00	4.00
B15	3.25		4.40		4.40	
B16	3.50	3.50	3.50	3.50	3.50	3.50
B17	4.00	3.00	4.00	3.00	4.00	3.00
B18	3.50	3.50	3.50	3.50	4.00	4.00
B19	3.00	3.00	3.00	3.00	3.00	3.00
B20	4.60	5.00	5.40	5.00	5.70	5.00
B21	4.50	4.50	4.50	4.50	4.50	4.50
B22	3.80	3.50	3.80	3.50	3.80	3.50
B23	3.50	3.00	4.00	4.00	4.00	4.00
B24	4.00	3.50	4.00	3.50	4.00	3.50
B25	4.50	4.50	4.50	4.50	4.50	4.50
B26	4.10	5.00	4.10	5.00	4.10	5.00
B27	5.50	5.00	4.50	5.00	3.50	5.00
B28	2.50	2.50	3.00	3.00	3.00	3.00
B29	4.40	4.10	6.90	4.10	7.50	4.10
B30	4.00		4.00		4.00	
B32	3.50	4.00	3.50	4.00	3.50	4.00
B33					3.00	3.00
B34	3.50	4.00	3.50	4.00	3.50	4.00
B35						
B39	4.00	4.00	4.00	4.00	4.00	4.00
B41	3.70	4.00	3.90	4.00	3.90	4.00
B42	3.80	4.00	3.80	4.00	3.80	4.00
B43	3.30	3.30	4.00	4.00	4.00	4.00
B44			10.00	5.00	29.00	5.00
B45	3.30		3.50		3.50	
B48	4.00	4.20	4.00	4.20	4.00	4.20
B49	4.00		4.00		4.00	
B50	4.00	4.00	4.00	4.00	4.00	4.00
B51					3.40	3.40
B53	3.50	3.50	3.50	3.50	3.50	3.50
B60	4.00	4.00	4.00	4.00	4.00	4.00
B62	3.50	3.50	3.50	3.50	3.50	3.50
B64	3.50		3.50		3.50	
B65	3.50	4.00	3.50	4.00	3.50	4.00
B66	3.00	3.00	3.00	3.00	3.00	3.00
B68						
B69	4.20	3.50	4.20	3.50	4.20	3.50
B72	5.00	5.00	5.00	5.00	5.00	5.00
B73	5.00	5.00	5.00	5.00	5.00	5.00
B75	3.80	3.80	3.80	3.80	3.80	3.80
AVERAGE	3.82	3.80	4.05	3.91	4.46	3.93

2007 NRECA G&T COMPENSATION SURVEY  
 AVERAGE AMOUNT OF LAST SALARY STRUCTURE ADJUSTMENT  
 (ADJUSTMENT %)

ID. CODE	TECHNICAL POSITION	PROFESSIONAL POSITION	MANAGEMENT POSITION
B01	3.00	3.00	3.00
B02	3.10	3.10	3.10
B04	3.40	3.40	3.40
B05	3.00	3.00	3.00
B06	3.00	5.00	5.00
B07		.00	.00
B11	4.00	4.00	4.00
B12	4.00	3.75	3.75
B13	3.00	3.00	3.00
B14	3.30	3.30	3.30
B15	3.25	4.40	4.40
B16	2.80	2.80	2.80
B17	4.00	4.00	4.00
B18	3.00	3.30	3.50
B19	3.00	3.00	3.00
B20	5.00	5.00	5.00
B21	3.50	3.50	3.50
B22			
B23	3.50	4.00	4.00
B24			
B25	4.50	4.50	4.50
B26			
B27	6.00	6.00	6.00
B28	3.00	3.00	3.00
B29	7.00	8.00	14.40
B30	4.00	4.00	4.00
B32	1.00	1.00	1.00
B33			
B34	3.00	2.00	2.00
B35	4.00	4.00	4.00
B39	2.80	2.80	2.80
B41	3.40	3.40	3.40
B42	6.00	6.00	6.00
B43	3.30	4.00	4.00
B44		3.50	3.50
B45	3.30	3.50	3.50
B48	3.10	3.10	3.10
B49	4.00	4.00	4.00
B50	4.00	4.00	4.00
B51			3.40
B53	3.50	3.50	3.50
B60	2.00	2.00	2.00
B62	3.50	3.50	3.50
B64	3.50	3.50	3.50
B65	2.50	2.80	2.80
B66	3.40	3.00	3.10
B68	3.50	3.50	3.50
B69	3.00	3.00	3.00
B72	10.00	8.00	7.00
B73	5.00	5.00	5.00
B75	3.50	3.50	3.50
AVERAGE	3.71	3.69	3.80

2007 NRECA G&T COMPENSATION SURVEY  
 TYPES OF SALARY INCREASES TYPICALLY GIVEN  
 ~TECHNICAL POSITION~

ID. CODE	PERF BASED MERIT	GEN WAGE INCR	COST OF LIVING	STEP INCR	SKILL/ KNOW ACQ	LUMP SUM	OTHER	UNION CON- TRACT
B01	Yes	N	N	Yes	N	N	N	Yes
B02	Yes	N	N	Yes	N	Yes	N	Yes
B04	Yes	Yes	N	N	N	Yes	N	Yes
B05	Yes	Yes	Yes	Yes	Yes	N	N	N
B06	N	N	N	N	N	N	N	Yes
B07	N	N	N	N	N	N	N	N
B11	Yes	N	N	N	N	N	N	N
B12	N	N	N	Yes	N	N	N	Yes
B13	Yes	N	Yes	Yes	N	N	N	N
B14	Yes	N	N	N	N	N	N	N
B15	N	N	N	Yes	N	N	N	N
B16	Yes	N	N	Yes	N	Yes	N	N
B17	Yes	Yes	Yes	N	Yes	N	N	N
B18	Yes	N	N	N	N	N	N	N
B19	N	N	N	Yes	N	N	N	Yes
B20	N	N	N	N	N	N	Yes	N
B21	N	Yes	Yes	N	N	N	N	N
B22	N	N	N	N	N	Yes	Yes	N
B23	N	N	N	N	N	N	N	Yes
B24	Yes	N	N	N	N	N	N	N
B25	Yes	N	N	N	N	N	N	N
B26	N	N	N	N	N	N	Yes	N
B27	N	Yes	N	N	N	N	N	N
B28	N	N	N	Yes	N	N	N	Yes
B29	N	N	N	N	N	N	N	Yes
B30	N	Yes	N	Yes	N	N	N	N
B32	Yes	N	N	N	N	N	N	N
B33	N	N	N	N	N	N	N	N
B34	Yes	N	N	Yes	N	Yes	N	N
B35	N	Yes	Yes	N	N	N	N	N
B39	Yes	N	N	N	N	N	N	N
B41	Yes	N	N	N	N	Yes	N	Yes
B42	Yes	N	N	N	N	N	N	Yes
B43	N	N	N	Yes	N	N	N	Yes
B44	N	N	N	N	N	N	N	N
B45	N	N	N	N	N	N	N	N
B48	Yes	Yes	Yes	N	N	N	N	N
B49	Yes	N	Yes	Yes	N	N	N	Yes
B50	Yes	Yes	N	N	N	N	N	N
B51	N	N	N	N	N	N	N	N
B53	Yes	N	Yes	Yes	N	N	N	N
B60	Yes	N	Yes	N	N	N	N	N
B62	Yes	N	N	N	N	N	N	N
B64	Yes	N	N	N	N	Yes	N	N
B65	N	Yes	N	N	Yes	N	N	Yes
B66	Yes	N	Yes	N	Yes	N	N	N
B68	Yes	N	Yes	Yes	Yes	N	N	N
B69	N	Yes	N	Yes	N	Yes	N	Yes
B72	Yes	Yes	Yes	N	N	N	N	N
B73	N	Yes	N	N	N	N	N	N
B75	N	Yes	N	N	N	N	N	N
	27-Yes	14-Yes	12-Yes	16-Yes	5-Yes	8-Yes	3-Yes	15-Yes

2007 NRECA G&T COMPENSATION SURVEY  
 TYPES OF SALARY INCREASES TYPICALLY GIVEN  
 ~PROFESSIONAL POSITION~

ID. CODE	PERF BASED MERIT	GEN WAGE INCR	COST OF LIVING	STEP INCR	SKILL/ KNOW ACQ	LUMP SUM	OTHER	UNION CON- TRACT
B01	Yes	N	N	N	N	N	N	N
B02	Yes	N	N	N	N	Yes	N	N
B04	Yes	Yes	N	N	N	Yes	N	N
B05	Yes	Yes	Yes	N	N	N	N	N
B06	Yes	N	N	N	N	N	N	N
B07	Yes	N	Yes	N	N	N	N	N
B11	Yes	N	N	N	N	N	N	N
B12	Yes	Yes	N	N	N	N	N	N
B13	Yes	Yes	N	N	N	N	N	N
B14	Yes	N	N	N	N	N	N	N
B15	N	Yes	N	N	N	N	N	N
B16	Yes	N	N	N	N	Yes	N	N
B17	Yes	Yes	Yes	N	Yes	N	N	N
B18	Yes	N	N	N	N	N	N	N
B19	N	N	N	Yes	N	N	N	Yes
B20	N	N	N	N	N	N	Yes	N
B21	Yes	Yes	Yes	N	Yes	N	N	N
B22	N	N	N	N	N	Yes	Yes	N
B23	Yes	N	Yes	Yes	N	N	N	N
B24	Yes	N	N	N	N	N	N	N
B25	Yes	N	N	N	N	N	N	N
B26	N	N	N	N	N	N	Yes	N
B27	N	Yes	N	N	N	N	N	N
B28	Yes	Yes	Yes	N	Yes	N	N	N
B29	Yes	Yes	N	N	N	N	N	N
B30	Yes	N	N	N	N	N	N	N
B32	Yes	N	N	N	N	N	N	N
B33	N	N	N	N	N	N	N	N
B34	Yes	N	N	Yes	N	Yes	N	N
B35	N	Yes	Yes	N	N	N	N	N
B39	Yes	N	N	N	N	N	N	N
B41	Yes	N	N	N	N	N	N	N
B42	Yes	N	N	N	N	N	N	N
B43	Yes	Yes	Yes	N	Yes	N	N	N
B44	Yes	N	Yes	N	N	N	N	N
B45	N	N	N	N	N	N	N	N
B48	Yes	Yes	Yes	N	N	N	N	N
B49	Yes	N	Yes	N	N	N	N	N
B50	Yes	Yes	N	N	N	N	N	N
B51	N	N	N	N	N	N	N	N
B53	Yes	N	Yes	Yes	N	N	N	N
B60	Yes	N	Yes	N	N	N	N	N
B62	Yes	N	N	N	N	N	N	N
B64	Yes	N	N	N	N	Yes	N	N
B65	N	Yes	N	N	N	N	N	N
B66	Yes	N	Yes	N	N	N	N	N
B68	Yes	N	Yes	Yes	Yes	N	N	N
B69	N	Yes	N	N	N	Yes	N	N
B72	Yes	Yes	Yes	N	N	N	N	N
B73	N	Yes	N	N	N	N	N	N
B75	Yes	N	N	N	N	N	N	N
	38-Yes	18-Yes	16-Yes	5-Yes	5-Yes	7-Yes	3-Yes	1-Yes

2007 NRECA G&T COMPENSATION SURVEY  
 TYPES OF SALARY INCREASES TYPICALLY GIVEN  
 ~MANAGEMENT/SUPERVISORY POSITION~

ID. CODE	PERF BASED MERIT	GEN WAGE INCR	COST OF LIVING	STEP INCR	SKILL/KNOW ACQ	LUMP SUM	OTHER	UNION CON-TRACT
B01	Yes	N	N	N	N	N	N	N
B02	Yes	N	N	N	N	Yes	N	N
B04	Yes	Yes	N	N	N	Yes	N	N
B05	Yes	Yes	Yes	N	N	N	N	N
B06	Yes	N	N	N	N	N	N	N
B07	Yes	N	Yes	N	N	N	N	N
B11	Yes	N	N	N	N	N	N	N
B12	Yes	N	N	N	N	N	N	N
B13	Yes	Yes	N	N	N	N	N	N
B14	Yes	N	N	N	N	N	N	N
B15	N	Yes	N	N	N	N	N	N
B16	Yes	N	N	N	N	Yes	N	N
B17	Yes	Yes	Yes	N	Yes	N	N	N
B18	Yes	N	N	N	N	N	N	N
B19	Yes	Yes	N	N	Yes	N	N	N
B20	N	N	N	N	N	N	Yes	N
B21	Yes	Yes	Yes	N	Yes	N	N	N
B22	N	N	N	N	N	Yes	Yes	N
B23	Yes	N	Yes	Yes	N	N	N	N
B24	Yes	N	N	N	N	N	N	N
B25	Yes	N	N	N	N	N	N	N
B26	N	N	N	N	N	N	Yes	N
B27	N	Yes	N	N	N	N	N	N
B28	Yes	Yes	N	N	Yes	N	N	N
B29	Yes	Yes	N	N	N	N	N	N
B30	Yes	N	N	N	N	N	N	N
B32	Yes	N	N	N	N	N	N	N
B33	Yes	N	N	N	N	N	N	N
B34	Yes	N	N	Yes	N	Yes	N	N
B35	N	Yes	Yes	N	N	N	N	N
B39	Yes	N	N	N	N	N	N	N
B41	Yes	N	N	N	N	N	N	N
B42	Yes	N	N	N	N	N	N	N
B43	Yes	Yes	Yes	N	Yes	N	N	N
B44	Yes	N	Yes	N	N	N	N	N
B45	N	N	N	N	N	N	N	N
B48	Yes	Yes	Yes	N	N	N	N	N
B49	Yes	N	Yes	N	N	N	N	N
B50	Yes	Yes	N	N	N	N	N	N
B51	N	N	N	N	N	N	N	N
B53	Yes	N	Yes	Yes	N	N	N	N
B60	Yes	N	Yes	N	N	N	N	N
B62	Yes	N	N	N	N	N	N	N
B64	Yes	N	N	N	N	Yes	N	N
B65	N	Yes	N	N	N	N	N	N
B66	Yes	N	Yes	N	N	N	N	N
B68	Yes	N	Yes	Yes	Yes	N	N	N
B69	N	Yes	N	N	N	Yes	N	N
B72	Yes	Yes	Yes	N	N	N	N	N
B73	N	Yes	N	N	N	N	N	N
B75	Yes	N	N	N	N	N	N	N
	40-Yes	18-Yes	15-Yes	4-Yes	6-Yes	7-Yes	3-Yes	0-Yes

2007 NRECA G&T COMPENSATION SURVEY  
 TYPE OF FORMAL SALARY STRUCTURES/RANGES USED  
 ~TECHNICAL POSITION~

ID. CODE	MIN/MAX	BROAD- BAND	SKILL- BASED	MARKET PRICED	STEP STRUCT.	OTHER
B01	Yes	N	N	N	Yes	N
B02	Yes	N	N	N	N	N
B04	Yes	N	N	N	N	N
B05	N	N	Yes	Yes	N	N
B06	N	N	N	N	N	N
B07	N	N	N	N	N	N
B11	Yes	N	N	N	N	N
B12	N	N	N	N	Yes	N
B13	N	N	N	N	Yes	N
B14	Yes	N	N	N	N	N
B15	N	N	N	N	Yes	N
B16	N	Yes	N	N	Yes	N
B17	Yes	N	N	Yes	N	N
B18	Yes	N	N	N	N	N
B19	N	N	N	N	Yes	N
B20	N	N	N	N	N	Yes
B21	N	N	N	N	Yes	N
B22	N	N	N	N	N	N
B23	Yes	N	N	N	Yes	N
B24	Yes	N	N	N	N	N
B25	Yes	N	N	N	N	N
B26	N	N	N	Yes	N	N
B27	Yes	N	N	N	N	N
B28	N	N	N	N	Yes	N
B29	N	N	N	N	N	Yes
B30	N	N	N	N	Yes	N
B32	Yes	N	N	N	N	N
B33	N	N	N	N	N	N
B34	N	N	N	N	N	N
B35	Yes	N	N	N	N	N
B39	N	N	N	Yes	N	N
B41	Yes	N	N	N	N	N
B42	Yes	N	N	N	N	N
B43	N	N	N	N	Yes	N
B44	N	N	N	N	N	N
B45	Yes	N	N	N	N	N
B48	Yes	N	N	N	N	N
B49	N	N	N	N	Yes	N
B50	N	N	N	N	N	N
B51	N	N	N	N	N	N
B53	N	Yes	N	N	N	N
B60	Yes	N	N	N	N	N
B62	Yes	N	N	N	N	N
B64	Yes	N	N	N	N	N
B65	Yes	N	N	Yes	N	N
B66	Yes	N	N	N	N	N
B68	N	N	N	N	N	N
B69	N	N	N	Yes	N	N
B72	N	N	N	N	N	Yes
B73	N	N	N	N	N	N
B75	N	N	N	N	Yes	N
	22-Yes	2-Yes	1-Yes	6-Yes	13-Yes	3-Yes

2007 NRECA G&T COMPENSATION SURVEY  
 TYPE OF FORMAL SALARY STRUCTURES/RANGES USED  
 ~PROFESSIONAL POSITION~

ID. CODE	MIN/MAX	BROAD- BAND	SKILL- BASED	MARKET PRICED	STEP STRUCT.	OTHER
B01	Yes	N	N	N	N	N
B02	Yes	N	N	N	N	N
B04	Yes	N	N	N	N	N
B05	N	N	N	Yes	N	N
B06	Yes	N	N	N	N	N
B07	N	N	N	N	N	Yes
B11	Yes	N	N	N	N	N
B12	Yes	N	N	N	N	N
B13	Yes	N	N	N	N	N
B14	Yes	N	N	N	N	N
B15	Yes	N	N	N	N	N
B16	N	Yes	N	N	N	N
B17	Yes	N	N	Yes	N	N
B18	Yes	N	N	N	N	N
B19	N	N	N	N	Yes	N
B20	N	N	N	N	N	Yes
B21	Yes	N	N	N	N	N
B22	N	N	N	N	N	N
B23	Yes	N	Yes	Yes	Yes	N
B24	Yes	N	N	N	N	N
B25	Yes	N	N	N	N	N
B26	N	N	N	Yes	N	N
B27	Yes	N	N	N	N	N
B28	Yes	N	N	N	N	N
B29	N	N	N	Yes	N	N
B30	Yes	Yes	N	N	N	N
B32	Yes	N	N	N	N	N
B33	N	N	N	N	N	N
B34	N	N	N	N	N	N
B35	Yes	N	N	N	N	N
B39	N	N	N	Yes	N	N
B41	Yes	N	N	N	N	N
B42	Yes	N	N	N	N	N
B43	Yes	N	N	N	N	N
B44	Yes	N	N	N	N	N
B45	Yes	N	N	N	N	N
B48	Yes	N	N	N	N	N
B49	N	N	N	N	N	Yes
B50	N	N	Yes	N	N	N
B51	N	N	N	N	N	N
B53	N	Yes	N	N	N	N
B60	Yes	N	N	N	N	N
B62	Yes	N	N	N	N	N
B64	Yes	N	N	N	N	N
B65	Yes	N	N	Yes	N	N
B66	Yes	N	N	N	N	N
B68	N	N	N	N	N	N
B69	N	N	N	Yes	N	N
B72	N	N	N	N	N	Yes
B73	N	N	N	N	N	N
B75	Yes	N	N	N	N	N

32-Yes      3-Yes      2-Yes      8-Yes      2-Yes      4-Yes

2007 NRECA G&T COMPENSATION SURVEY  
 TYPE OF FORMAL SALARY STRUCTURES/RANGES USED  
 ~MANAGEMENT/SUPERVISORY POSITION~

ID. CODE	MIN/MAX	BROAD- BAND	SKILL- BASED	MARKET PRICED	STEP STRUCT.	OTHER
B01	Yes	N	N	N	N	N
B02	Yes	N	N	N	N	N
B04	Yes	N	N	N	N	N
B05	N	N	N	Yes	N	N
B06	Yes	N	N	N	N	N
B07	N	N	N	N	N	Yes
B11	Yes	N	N	N	N	N
B12	Yes	N	N	N	N	N
B13	Yes	N	N	N	N	N
B14	Yes	N	N	N	N	N
B15	Yes	N	N	N	N	N
B16	N	Yes	N	N	N	N
B17	Yes	N	N	Yes	N	N
B18	Yes	N	N	N	N	N
B19	Yes	N	N	N	N	N
B20	N	N	N	N	N	Yes
B21	Yes	N	N	N	N	N
B22	N	N	N	N	N	N
B23	Yes	N	N	Yes	Yes	N
B24	Yes	N	N	N	N	N
B25	Yes	N	N	N	N	N
B26	N	N	N	Yes	N	N
B27	Yes	N	N	N	N	N
B28	Yes	N	N	N	N	N
B29	N	N	N	Yes	N	N
B30	Yes	Yes	N	N	N	N
B32	Yes	N	N	N	N	N
B33	N	N	N	N	N	N
B34	N	N	N	N	N	N
B35	Yes	N	N	N	N	N
B39	N	N	N	Yes	N	N
B41	Yes	N	N	N	N	N
B42	Yes	N	N	N	N	N
B43	Yes	N	N	N	N	N
B44	Yes	N	N	N	N	N
B45	Yes	N	N	N	N	N
B48	Yes	N	N	N	N	N
B49	N	N	N	N	N	Yes
B50	N	N	Yes	N	N	N
B51	N	N	N	N	N	Yes
B53	N	Yes	N	N	N	N
B60	Yes	N	N	N	N	N
B62	Yes	N	N	N	N	N
B64	Yes	N	N	N	N	N
B65	Yes	N	N	Yes	N	N
B66	Yes	N	N	N	N	N
B68	N	N	N	N	N	N
B69	N	N	N	Yes	N	N
B72	N	N	N	N	N	Yes
B73	N	N	N	N	N	N
B75	Yes	N	N	N	N	N
	33-Yes	3-Yes	1-Yes	8-Yes	1-Yes	5-Yes

2007 NRECA G&T COMPENSATION SURVEY  
 OFTEN SALARY STRUCTURED REVIEWED/  
 DATE OF LAST REVIEW

ID. CODE	=== TECH POSITION ===		=== PROF POSITION ===		=== MGMT POSITION ===	
	FREQ SAL REVIEW	LAST REVIEWED	FREQ SAL REVIEW	LAST REVIEWED	FREQ SAL REVIEW	LAST REVIEWED
B01	Ann1	DEC 2006	Ann1	DEC 2006	Ann1	DEC 2006
B02	Ann1	NOV 2006	Ann1	NOV 2006	Ann1	NOV 2006
B04	Ann1	JAN 2007	Ann1	JAN 2007	Ann1	JAN 2007
B05	Ann1	NOV 2005	Ann1	NOV 2005	Ann1	NOV 2005
B06	Ann1	JAN 2007	Ann1	JAN 2007	Ann1	JAN 2007
B07			Ann1	NOV 2006	Ann1	NOV 2006
B11	Ann1	MAR 2007	Ann1	MAR 2007	Ann1	MAR 2007
B12	Ann1	APR 2006	Ann1	JUL 2006	Ann1	JUL 2006
B13	Ann1	JAN 2007	Ann1	JAN 2007	Ann1	JAN 2007
B14	Ann1	JAN 2007	Ann1	JAN 2007	Ann1	JAN 2007
B15	Ann1	OCT 2006	Ann1	OCT 2006	Ann1	OCT 2006
B16	Ann1	JUL 2006	Ann1	JUL 2006	Ann1	JUL 2006
B17	Ann1	JAN 2007	Ann1	JAN 2007	Ann1	JAN 2007
B18	Ann1	JAN 2007	Ann1	JAN 2007	Ann1	JAN 2007
B19	Ann1	JUL 2006	Ann1	JUL 2006	Ann1	JAN 2007
B20	Ann1	NOV 2006	Ann1	NOV 2006	Ann1	NOV 2006
B21	Ann1	JUL 2006	Ann1	JUL 2006	Ann1	JUL 2006
B22	Ann1	JAN 2007	Ann1	JAN 2007	Ann1	JAN 2007
B23	Ann1	JUL 2006	Ann1	NOV 2006	Ann1	NOV 2005
B24	Ann1	JUL 2006	Ann1	JUL 2006	Ann1	JUL 2006
B25	Ann1	OCT 2006	Ann1	OCT 2006	Ann1	OCT 2006
B26	Ann1	NOV 2006	Ann1	NOV 2006	Ann1	NOV 2006
B27	Ann1	NOV 2006	Ann1	NOV 2006	Ann1	NOV 2006
B28	Ann1	JUL 2004	Ann1	NOV 2006	Ann1	NOV 2006
B29	Ann1	NOV 2006	Ann1	NOV 2006	Ann1	NOV 2006
B30	Ann1	NOV 2006	Ann1	NOV 2006	Ann1	NOV 2006
B32	Ann1	JUL 2006	Ann1	JUL 2006	Ann1	JUL 2006
B33					Ann1	OCT 2006
B34		JAN 2007		JAN 2007		JAN 2007
B35	Ann1	JAN 2007	Ann1	JAN 2007	Ann1	JAN 2007
B39	Ann1	SEP 2006	Ann1	SEP 2006	Ann1	SEP 2006
B41	Ann1	SEP 2006	Ann1	SEP 2006	Ann1	AUG 2005
B42	Bi-Ann1	MAY 2005	Bi-Ann1	MAY 2005	Bi-Ann1	MAY 2005
B43	Ann1	DEC 2006	Ann1	JAN 2007	Ann1	JAN 2007
B44			Ann1	NOV 2006	Ann1	NOV 2006
B45	Ann1	JAN 2007	Ann1	JAN 2007	Ann1	JAN 2007
B48	Ann1	JAN 2007	Ann1	JAN 2007	Ann1	JAN 2007
B49	Ann1	JUL 2006	Ann1	JUL 2006	Ann1	JUL 2006
B50			Ann1	JUL 2006	Ann1	JUL 2006
B51					Ann1	NOV 2006
B53	Ann1	NOV 2006	Ann1	NOV 2006	Ann1	NOV 2006
B60	Ann1	AUG 2006	Ann1	AUG 2006	Ann1	AUG 2006
B62	Ann1	JAN 2007	Ann1	JAN 2007	Ann1	JAN 2007
B64	Ann1	MAR 2007	Ann1	MAR 2007	Ann1	MAR 2007
B65	Ann1	APR 2006	Ann1	APR 2006	Ann1	APR 2006
B66	Ann1	NOV 2006	Ann1	NOV 2006	Ann1	NOV 2006
B68	Ann1	DEC 2006	Ann1	DEC 2006	Ann1	DEC 2006
B69	Ann1	JAN 2007	Ann1	JAN 2007	Ann1	JAN 2007
B72	Ann1	DEC 2006	Ann1	SEP 2006	Ann1	MAR 2007
B73		NOV 2006		NOV 2006		NOV 2006
B75	Ann1	OCT 2006	Ann1	OCT 2006	Ann1	OCT 2006

2007 NRECA G&T COMPENSATION SURVEY  
 REWARDS USED BY ORGANIZATION  
 ~TECHNICAL POSITION~

ID. CODE	HIRE/ SIGN- ON BONUS	PROJ COMP BONUS	TEAM PAY	SKILL BASE PAY	===== VARIABLE PAY =====				
					GAIN- SHARE	PRO- FIT SHARE	SALES INC.	BONUS COMP PERF	BONUS INDIV PERF
B01	N	N	N	N	Yes	N	N	Yes	N
B02	N	N	N	N	N	N	N	N	N
B04	N	N	N	N	Yes	N	N	Yes	Yes
B05	N	N	N	N	N	N	N	N	N
B06	N	N	N	N	N	N	N	N	N
B07	N	N	N	N	N	N	N	N	N
B11	N	N	N	N	N	N	N	N	N
B12	N	N	N	N	N	N	N	N	N
B13	N	N	N	N	N	N	N	Yes	N
B14	N	N	N	N	N	N	N	N	N
B15	N	N	N	N	N	N	N	N	N
B16	N	N	N	N	N	N	N	Yes	Yes
B17	N	N	N	N	N	N	N	Yes	Yes
B18	N	N	N	N	N	N	N	N	Yes
B19	N	N	N	N	N	N	N	N	N
B20	N	N	N	N	N	N	N	N	N
B21	N	N	N	N	N	N	N	N	N
B22	N	N	N	N	N	N	N	N	Yes
B23	N	N	N	N	N	N	N	N	N
B24	N	Yes	N	N	N	N	N	N	Yes
B25	N	N	N	N	N	N	N	N	Yes
B26	N	N	N	N	N	N	N	N	N
B27	N	N	N	N	N	N	N	N	N
B28	N	N	N	N	N	N	N	N	N
B29	N	N	N	N	N	N	N	N	N
B30	Yes	N	N	N	N	N	N	Yes	N
B32	N	N	N	N	N	N	N	N	N
B33	N	N	N	N	N	N	N	N	N
B34	N	N	N	N	N	N	N	N	Yes
B35	N	N	N	N	N	N	N	N	N
B39	N	N	N	N	N	N	N	N	N
B41	N	N	N	N	N	N	N	Yes	N
B42	N	N	N	N	N	N	N	N	N
B43	N	N	N	N	N	N	N	N	N
B44	N	N	N	N	N	N	N	N	N
B45	N	N	N	N	N	N	N	N	N
B48	N	N	N	N	N	N	N	N	N
B49	N	N	N	N	N	N	N	N	N
B50	N	N	N	N	N	N	N	N	N
B51	N	N	N	N	N	N	N	N	N
B53	N	N	N	N	N	N	N	N	N
B60	N	N	N	N	N	N	N	N	N
B62	N	N	N	N	N	N	N	N	N
B64	N	N	N	N	N	N	N	N	N
B65	N	N	N	N	N	N	N	N	Yes
B66	N	N	N	N	N	N	N	N	N
B68	N	N	N	N	N	N	N	N	N
B69	Yes	Yes	N	N	N	N	N	Yes	Yes
B72	N	N	N	N	N	N	N	N	N
B73	N	N	N	N	N	N	N	N	N
B75	N	N	N	N	N	N	N	N	N

2-Yes    2-Yes    0-Yes    0-Yes    2-Yes    0-Yes    0-Yes    8-Yes    10-Yes

2007 NRECA G&T COMPENSATION SURVEY  
 REWARDS USED BY ORGANIZATION  
 ~PROFESSIONAL POSITION~

ID. CODE	HIRE/ SIGN- ON BONUS	PROJ COMP BONUS	TEAM PAY	SKILL BASE PAY	===== VARIABLE PAY =====				
					GAIN- SHARE	PRO- FIT SHARE	SALES INC.	BONUS COMP PERF	BONUS INDIV PERF
B01	N	N	N	N	Yes	N	N	Yes	N
B02	N	N	N	N	N	N	N	N	N
B04	N	N	N	N	Yes	N	N	Yes	Yes
B05	N	N	N	N	N	N	N	N	N
B06	N	N	N	N	N	N	N	N	N
B07	N	N	N	N	N	N	N	N	N
B11	N	N	N	N	N	N	N	N	N
B12	N	N	N	N	N	N	N	N	N
B13	N	N	N	N	N	N	N	Yes	N
B14	N	N	N	N	N	N	N	N	N
B15	N	Yes	N	N	N	N	N	N	N
B16	N	N	N	N	N	N	N	Yes	Yes
B17	N	N	N	N	N	N	N	Yes	Yes
B18	Yes	N	N	N	N	N	N	N	Yes
B19	N	N	N	N	N	N	N	N	N
B20	N	N	N	N	N	N	N	N	N
B21	N	N	N	N	N	N	N	N	N
B22	N	N	N	N	N	N	N	N	Yes
B23	N	N	N	N	N	N	N	N	N
B24	N	Yes	N	N	N	N	N	N	Yes
B25	N	N	N	N	N	N	N	N	Yes
B26	N	N	N	N	N	N	N	N	N
B27	N	N	N	N	N	N	N	N	N
B28	N	N	N	N	N	N	N	N	Yes
B29	N	N	N	N	N	N	N	N	N
B30	Yes	N	N	N	N	N	N	Yes	Yes
B32	N	N	N	N	N	N	N	N	N
B33	N	N	N	N	N	N	N	N	N
B34	N	N	N	N	N	N	N	N	Yes
B35	N	N	N	N	N	N	N	N	N
B39	N	N	N	N	N	N	N	N	N
B41	N	N	N	N	N	N	N	Yes	N
B42	N	N	N	N	N	N	N	N	N
B43	N	N	N	N	N	N	N	N	N
B44	N	N	N	N	N	N	N	N	N
B45	N	N	N	N	N	N	N	N	N
B48	N	N	N	N	N	N	N	N	N
B49	N	N	N	N	N	N	N	N	N
B50	N	N	N	N	N	N	N	N	N
B51	N	N	N	N	N	N	N	N	N
B53	N	N	N	N	N	N	N	N	N
B60	N	N	N	N	N	N	N	N	N
B62	N	N	N	N	N	N	N	N	N
B64	N	N	N	N	N	N	N	N	N
B65	Yes	N	N	N	N	N	N	N	Yes
B66	N	N	N	N	N	N	N	N	N
B68	N	N	N	N	N	N	N	N	N
B69	Yes	Yes	N	N	N	N	N	Yes	Yes
B72	N	N	N	N	N	N	N	N	N
B73	N	N	N	N	N	N	N	N	N
B75	N	N	N	N	N	N	N	N	N

4-Yes    3-Yes    0-Yes    0-Yes    2-Yes    0-Yes    0-Yes    8-Yes    12-Yes

2007 NRECA G&T COMPENSATION SURVEY  
 REWARDS USED BY ORGANIZATION  
 ~MANAGEMENT/SUPERVISORY POSITION~

ID . CODE	HIRE/ SIGN- ON BONUS	PROJ COMP BONUS	TEAM PAY	SKILL BASE PAY	===== VARIABLE PAY =====				
					GAIN- SHARE	PRO- FIT SHARE	SALES INC.	BONUS COMP PERF	BONUS INDIV PERF
B01	N	N	N	N	Yes	N	N	Yes	N
B02	N	N	N	N	N	N	N	N	N
B04	N	N	N	N	Yes	N	N	Yes	Yes
B05	N	N	N	N	N	N	N	N	N
B06	N	N	N	N	N	N	N	N	N
B07	N	N	N	N	N	N	N	N	N
B11	N	N	N	N	N	N	N	N	N
B12	N	N	N	N	N	N	N	N	N
B13	N	N	N	N	N	N	N	Yes	N
B14	N	N	N	N	N	N	N	N	N
B15	Yes	N	N	N	N	N	N	N	N
B16	N	N	N	N	N	N	N	Yes	Yes
B17	N	N	N	N	N	N	N	Yes	Yes
B18	Yes	N	N	N	N	N	N	N	Yes
B19	N	N	N	N	N	N	N	N	N
B20	N	N	N	N	N	N	N	N	N
B21	N	N	N	N	N	N	N	N	N
B22	N	N	N	N	N	N	N	N	Yes
B23	N	N	N	N	N	N	N	N	N
B24	N	Yes	N	N	N	N	N	N	Yes
B25	N	N	N	N	N	N	N	N	Yes
B26	N	N	N	N	N	N	N	N	N
B27	N	N	N	N	N	N	N	N	N
B28	N	N	N	N	N	N	N	N	Yes
B29	N	N	N	N	N	N	N	N	N
B30	Yes	N	N	N	N	N	N	Yes	Yes
B32	N	N	N	N	N	N	N	N	N
B33	N	N	N	N	N	N	N	N	N
B34	N	N	N	N	N	N	N	N	Yes
B35	N	N	N	N	N	N	N	N	N
B39	N	N	N	N	N	N	N	N	N
B41	N	N	N	N	N	N	N	Yes	N
B42	N	N	N	N	N	N	N	N	N
B43	N	N	N	N	N	N	N	N	N
B44	N	N	N	N	N	N	N	N	N
B45	N	N	N	N	N	N	N	N	N
B48	N	N	N	N	N	N	N	N	N
B49	N	N	N	N	N	N	N	N	N
B50	N	N	N	N	N	N	N	N	N
B51	N	N	N	N	N	N	N	N	N
B53	N	N	N	N	N	N	N	N	N
B60	N	N	N	N	N	N	N	N	N
B62	N	N	N	N	N	N	N	N	N
B64	N	N	N	N	N	N	N	N	N
B65	Yes	N	N	N	N	N	N	N	Yes
B66	N	N	N	N	N	N	N	N	N
B68	N	N	N	N	N	N	N	N	N
B69	Yes	Yes	N	N	N	N	N	Yes	Yes
B72	N	N	N	N	N	N	N	N	N
B73	N	N	N	N	N	N	N	N	N
B75	N	N	N	N	N	N	N	N	N
	5-Yes	2-Yes	0-Yes	0-Yes	2-Yes	0-Yes	0-Yes	8-Yes	12-Yes

2007 NRECA G&T COMPENSATION SURVEY  
GENERAL STATISTICS FOR REPORTING GROUP  
BARGAINING UNIT INFORMATION

ID. CODE	UNION	NO. EMPS	CONTRACT DURATION	DATE LAST INCREASE	% LAST INCREASE
B01	UWUA	179	30-JUN-07	01-JUL-06	3.10
B02	IBEW	335	01-JUL-07	01-JUL-06	4.00
B04	IBEW		14-APR-08	15-OCT-06	4.00
B06	IBEW	273	15-SEP-07	16-SEP-06	3.00
B11	IBEW	233	15-NOV-10	16-NOV-06	3.75
B12	IBEW	69	31-MAR-10	01-APR-06	4.00
B12	IBEW	116	31-MAR-10	01-APR-06	4.00
B18	IBEW	95	30-SEP-07	01-OCT-06	3.50
B19	IBEW	93	30-JUN-07	01-JUL-06	3.00
B21	IBEW	22	01-JUL-08	01-JUL-06	3.75
B23	IBEW	78	30-JUN-12	01-JUL-06	3.50
B28	IBEW	44	30-JUN-09	01-JUL-06	2.50
B29	IBEW	20	31-OCT-10	01-NOV-06	6.96
B39	Local 1593	280	01-OCT-09	01-OCT-06	4.00
B39	Local 612	247	01-MAR-09	01-MAR-06	4.00
B41	IBEW	110	28-FEB-10	01-MAR-07	4.00
B42	IBEW	57	31-MAR-10	01-APR-07	3.25
B43	IBEW	31	30-NOV-11	01-DEC-06	3.30
B43	IUOE	24	30-NOV-09	01-DEC-06	3.00
B45	IBEW		02-APR-08	28-MAR-04	3.25
B49	IUOE	46	30-JUN-08	01-JUL-06	4.00
B65	IBEW	289	31-JAN-08	01-FEB-07	3.50
B69	IBEW	150	29-FEB-08	01-MAR-07	3.00
B69	IBEW	150	31-DEC-08	01-JAN-07	3.00
	AVERAGE	134			3.64%



BIG RIVERS ELECTRIC CORPORATION'S  
RESPONSE TO THE COMMISSION'S FEBRUARY 23, 2009 FIRST DATA  
REQUEST TO BIG RIVERS ELECTRIC CORPORATION  
PSC CASE NO. 2009-00040  
March 18, 2009

1  
2  
3 **Item 38)** Refer to Big Rivers' pension plan.

4  
5 a. Provide a complete description of the financial reporting and rate-  
6 making treatment of pension costs.

7  
8 b. Provide the most recent actuarial report for pension costs.

9  
10 c. Identify, by account number and title, all test year pension costs  
11 and provide a detailed analysis showing how test year pension costs were determined.

12  
13 d. Provide a comparison of the cost of pensions during the test year  
14 and the 5 previous calendar years. In this comparison, separate the amounts that were  
15 capitalized from the amounts that were expensed.

16  
17 **Response)** a. Pension cost are considered payroll related overhead expenses and  
18 functionalized to the appropriate RUS labor accounts based on RUS accounting  
19 requirements. The pension benefit expense is reported on Big Rivers' RUS Form 12  
20 Statement of Operations as "*Operation and Maintenance*" expenses according to how  
21 labor and related overheads are functionalized during the period. Pension benefit  
22 expense is reported in the Big Rivers' annual audited Statement of Operations as  
23 "*Transmission and Other*" and "*Maintenance*". The accrued pension benefit liability is  
24 recorded to noncurrent liability accounts based on SFAS No. 158 requirements. The  
25 liability is recorded in RUS Account No. 228.325 and as a noncurrent asset in RUS  
26 Account 186.300. It is reported on Big Rivers' RUS Form 12 Balance Sheet as  
27 Accumulated Operating Provisions and Asset Retirement Obligations, or other deferred  
28 debit as appropriate and reflected in Big Rivers' audited Balance Sheet as Other liabilities  
29 or assets as appropriate.

BIG RIVERS ELECTRIC CORPORATION'S  
RESPONSE TO THE COMMISSION'S FEBRUARY 23, 2009 FIRST DATA  
REQUEST TO BIG RIVERS ELECTRIC CORPORATION  
PSC CASE NO. 2009-00040  
March 18, 2009

1  
2  
3           b.       Attached hereto are copies of Mercer's January 26, 2009 valuation  
4 reports entitled "Determination of FAS 87 Expense for Fiscal Year Ending December 31,  
5 2008", for the salaried and bargaining employees' retirement plans. Also attached is a  
6 copy of Mercer's November 13, 2008 letter containing certain funding-related  
7 information from the actuarial valuation of the plans.

8  
9           c.       See attached schedule for list of test year pension costs and  
10 account numbers and titles.

11  
12                   The test year pension costs were based on calculations by Big  
13 Rivers Electric Corporation's actuary. The Net Periodic Pension Costs as determined by  
14 Mercer (company actuary) were used to allocate employee pension expense to each  
15 employee by department and cost center.

16  
17           d.       See attached schedule - Comparison of Pension Costs.

18  
19 **Witness)**       C. William Blackburn

January 2009

# **Big Rivers Electric Corporation Salaried Employees' Retirement Plan**

Determination of FAS 87 Expense for Fiscal Year  
Ending December 31, 2008

## **MERCER**



MARSH MERCER KROLL  
GUY CARPENTER OLIVER WYMAN

Consulting. Outsourcing. Investments.

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## Section I: Report Highlights

### Accounting

Mercer has prepared this report for Big Rivers Electric Corporation to provide reporting and disclosure information for financial statements, governmental agencies and other interested parties, pursuant to FAS 87 and FAS 88 as modified by FAS 132(R) and FAS 158 relating to the Big Rivers Electric Corporation Salaried Employees' Retirement Plan.

The net periodic benefit cost, calculated in accordance with Financial Accounting Standards Board Statement No. 87 for the fiscal year ending December 31, 2008, is a charge, of \$906,771. (Please note that this figure may be revised if assets and/or liabilities are remeasured during the year due to a plan amendment, curtailment, settlement or other significant event.) This compares to a charge of \$1,000,850 for the prior year.

### Changes in Plan Provisions

There were changes in plan provisions since the last actuarial valuation as of January 1, 2007. Please see the Summary of Plan Provisions in the Actuarial Basis section for a description of these changes.

### Changes in Actuarial Assumptions

There were changes in actuarial assumptions since the last actuarial valuation as of January 1, 2007. Please see the Summary of Actuarial Assumptions in the Actuarial Basis section for a description of these changes.

### Changes in Actuarial Methods

There were no changes in actuarial methods since the last actuarial valuation as of January 1, 2007.

## Section II: Certification

We have prepared an actuarial valuation of the Big Rivers Electric Corporation Salaried Employees' Retirement Plan for the fiscal year ending December 31, 2008. The results of the valuation are set forth in this report, which reflects the provisions of the plan as amended and effective through December 31, 2008.

This valuation report may not be relied upon for any other purpose or by any party other than Big Rivers Electric Corporation. Mercer is not responsible for the consequences of any other use. A valuation report is a snapshot of a plan's estimated financial condition at a particular point in time; it does not predict a pension plan's future financial condition or its ability to pay benefits in the future.

Over time, a plan's total cost will depend on a number of factors, including the amount of benefits the plan pays, the number of people paid benefits and the amount earned on any assets invested to pay the benefits. These amounts and others are uncertain and unknowable at the valuation date, but are predicted to fall within a reasonable range of possibilities.

To prepare this report, *actuarial assumptions*, as described in Section VI, are used to select a single scenario from the range of possibilities. The results of that single scenario are included in this report. However, the future is uncertain and the plan's actual experience will differ from those assumptions; these differences may be significant or material. In addition, different assumptions or scenarios may also be within the reasonable range and results based on those assumptions would be different. Actuarial assumptions may also be changed from one valuation to the next because of mandated requirements, plan experience, changes in expectations about the future and other factors.

Because actual plan experience will differ from the assumptions, decisions about benefit changes, investment policy, funding amounts, benefit security and/or benefit related issues should be made only after careful consideration of alternative future financial conditions and scenarios, and not solely on the basis of a valuation report or reports.

### Data

To prepare this report, Mercer has used and relied on financial data submitted by the trustee without further audit. We have also used and relied upon participant data supplied by the plan sponsor; this data would customarily not be verified by a plan's actuary. We have reviewed the participant data for internal consistency and reasonableness and have no reason to doubt its substantial accuracy. Finally, we have used and relied on the plan documents, including amendments, supplied by the plan sponsor. The plan sponsor is solely responsible for the validity and completeness of this information.

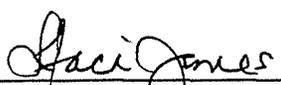
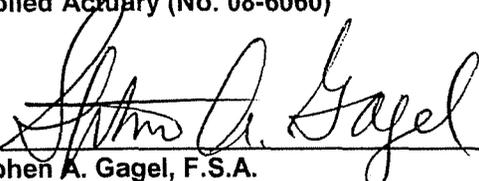
### Accounting results

The valuation of the plan was performed in accordance with generally accepted actuarial principles and procedures. The accounting calculations reported herein are consistent with our understanding of Big Rivers Electric Corporation's interpretation of the provisions of FAS Nos. 87, 88, 132(R) and 158. The actuarial assumptions were selected by the company. We believe that each of these assumptions is reasonable.

## Section II: Certification

### Professional qualifications

We are available to answer any questions on the material contained in the report, or to provide explanations or further details as may be appropriate. The undersigned credentialed actuaries meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained in this report. We are not aware of any direct or material indirect financial interest or relationship, including investments or other services that could create a conflict of interest that would impair the objectivity of our work.

 Staci James, F.S.A. Enrolled Actuary (No. 08-6060)	<u>January 26, 2009</u> Date
 Stephen A. Gagel, F.S.A. Enrolled Actuary (No. 08-2638)	<u>January 23, 2009</u> Date
Mercer 462 South Fourth Street, Suite 1100 Louisville, KY 40202 502 561 4500	

The information contained in this document (including any attachments) is not intended by Mercer to be used, and it cannot be used, for the purpose of avoiding penalties under the Internal Revenue Code that may be imposed on the taxpayer.

**Section III: Development of Costs****Net Periodic Benefit Cost**

	Fiscal Year Ending December 31, 2008	Fiscal Year Ending December 31, 2007
1. Service cost	\$ 911,339	\$ 825,152
2. Interest cost	949,634	818,300
3. Expected return on assets	(1,177,245)	(884,291)
4. Amortizations		
a. Transition (asset)/obligation	0	0
b. Prior service cost	5,612	5,612
c. (Gain)/loss	217,431	236,077
<b>5. Net periodic pension cost (1. + 2. + 3. + 4.)</b>	<b>\$ 906,771</b>	<b>\$ 1,000,850</b>
6. FAS 88 One-Time Charges	\$ 0	\$ 0
<b>7. Total pension cost (5. + 6.)</b>	<b>\$ 906,771</b>	<b>\$ 1,000,850</b>

Additional Items for Net Periodic Benefit Cost Calculations	Fiscal Year Ending December 31, 2008	Fiscal Year Ending December 31, 2007
Fair value of assets	\$ 17,089,607	\$ 12,473,190
Market-related value of assets	17,089,607	12,473,190
Expected expenses	0	0
▪ Expected expenses weighted for timing	0	0
Expected benefit payments	1,572,463	509,684
▪ Expected benefit payments weighted for timing	851,751	276,079
Expected employer contributions	0	0
▪ Expected employer contributions weighted for timing	0	0
Average future years of service	12.98	13.49

**Section III: Development of Costs****Benefit Obligations and Assets**

	January 1, 2008	January 1, 2007
<b>Funded Status</b>		
1. Accumulated benefit obligation (ABO)		
a. Active participants	\$ (11,625,283)	\$ (9,712,289)
b. Inactive participants with deferred benefits	(17,772)	(42,394)
c. Inactive participants receiving benefits	(225,559)	(237,019)
d. Total (a. + b. + c.)	\$ (11,868,614)	\$ (9,991,702)
2. Effect of future salary increases	(4,177,287)	(4,515,680)
3. Projected benefit obligation (PBO) (1.d. + 2.)	\$ (16,045,901)	\$ (14,507,382)
4. Fair value of plan assets	17,089,607	12,473,190
5. Funded status (3. + 4.)	\$ 1,043,706	\$ (2,034,192)
<b>Amounts to be Reflected in Future Periods</b>		
1. Transition obligation (asset)	\$ 0	\$ 0
2. Prior service cost (credit)	20,791	26,403
3. Net loss (gain)	4,531,210	4,635,417
4. Total not yet recognized in net periodic benefit cost (1. + 2. + 3.)	\$ 4,552,001	\$ 4,661,820

### Section III: Development of Costs

#### Amortization Amounts

Amortizations	Net Amount as of January 1, 2008	Years Remaining	Annual Amortization
1. Transition obligation (asset)	\$ 0	0.00	\$ 0
2. Prior service cost (credit)			
a. January 1, 1993	\$ 14,753	3.00	\$ 4,917
b. January 1, 2002	6,038	8.69	695
c. Total	\$ 20,791		\$ 5,612
3. (Gain) loss			
a. Net (gain) loss	\$ 4,531,210		
b. Excess of fair value over market-related value	0		
c. Net (gain)/loss potentially subject to amortization (a. + b.)	4,531,210		
d. Corridor	1,708,961		
e. Amount subject to amortization (c. - d.)	\$ 2,822,249	12.98	\$ 217,431

## Section IV: Plan Assets

### Summary of Assets

<b>Asset Category</b>	<b>Market Value as of December 31, 2007</b>	<b>Market Value as of December 31, 2006</b>
1. Net Assets	\$ 17,089,607	\$ 12,473,190

**Section IV: Plan Assets**

**Contributions for Fiscal Year Ending December 31, 2007**

Date	Amount		Total
	Employer	Participant	
12/26/2007	\$ 3,968,929	N/A	\$ 3,968,929
<b>Total</b>	<b>\$ 3,968,929</b>	<b>N/A</b>	<b>\$ 3,968,929</b>

**Expected Contributions for Fiscal Year Ending December 31, 2008**

Date	Amount		Total
	Employer	Participant	
<b>Total</b>	<b>\$ 0</b>	<b>N/A</b>	<b>\$ 0</b>

## Section V: Participant Data

### Statistics

	Plan year beginning	
	January 1, 2008	January 1, 2007
<b>Participants included in valuation</b>		
▪ Active participants		
- Vested	83	76
- Non-vested	0	0
- Total actives	83	76
▪ Inactive with deferred benefits	3	4
▪ Inactive with immediate benefits	8	8
▪ Total	94	88
<b>Active participant statistics</b>		
▪ Average age	49.0	48.7
▪ Average years of service	18.8	19.1
▪ Total compensation	\$ 6,981,529	\$ 6,014,785
▪ Average compensation	84,115	79,142
<b>Inactive deferred statistics</b>		
▪ Average age	41.3	43.8
▪ Total monthly benefits	\$ 633	\$ 963
▪ Average monthly benefits	211	241
<b>Inactive immediate statistics</b>		
▪ Average age	81.8	80.8
▪ Total monthly benefits	\$ 2,688	\$ 2,688
▪ Average monthly benefits	336	336

## Section V: Participant Data

### Distribution of Active Participants

	Active participants	Inactive participants		Total
		With deferred benefits	Receiving benefits	
Beginning of the year	76	4	8 <sup>1</sup>	88
Retirements	0	0	0	0
Disabilities	0	0	N/A	0
Deaths	0	0	0	0
Non-vested terminations	0	N/A	N/A	0
Vested terminations	0	0	N/A	0
Rehires	2	0	0	2
Lump sum payouts	(1)	(1)	0	(2)
Survivors	N/A	0	0	0
Expiration of benefits	N/A	N/A	0	0
Transfers out	0	0	N/A	0
Transfers in	0	0	N/A	0
New entrants	6	N/A	N/A	6
Net change	7	(1)	0	6
End of the year	83	3	8 <sup>1</sup>	94

<sup>1</sup> Includes 1 alternate payee receiving benefits under QDRO.

## Section V: Participant Data

### Distribution of Active Participants

Age	Years of service as of January 1, 2008										Total
	Under 1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
< 25	0	0	0	0	0	0	0	0	0	0	0
25 - 29	0	4	2	0	0	0	0	0	0	0	6
30 - 34	0	3	0	0	0	0	0	0	0	0	3
35 - 39	0	2	3	1	1	0	0	0	0	0	7
40 - 44	0	5	0	0	4	1	0	0	0	0	10
45 - 49	0	6	2	2	2	3	2	0	0	0	17
50 - 54	2	0	2	1	0	0	6	1	0	0	12
55 - 59	0	2	1	1	2	2	3	6	0	0	17
60 - 64	0	2	0	2	0	1	2	3	0	0	10
65 - 69	0	0	0	0	0	0	0	0	0	0	0
70 - 74	0	0	1	0	0	0	0	0	0	0	1
75+	0	0	0	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>2</b>	<b>24</b>	<b>11</b>	<b>7</b>	<b>9</b>	<b>7</b>	<b>13</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>83</b>

In each cell, the number is the count of active participants for each age/service combination. Average pay is not shown for cells with fewer than 20 participants.

## Section VI: Actuarial Basis

### Accounting Methods

- **Actuarial cost method:** Benefit obligations shown in this addendum are computed using the projected unit credit method. Benefits are attributed to service based on the plan's benefit formula.
- **Method for determining market-related value of assets:** Fair market value.
- **Changes since prior valuation:** None.

### Accounting Policies

- **Measurement date:** December 31
- **(Gain)/loss amortization method:** Cumulative gains and losses in excess of 10% of the greater of PBO or market-related value of plan assets are amortized over the expected average remaining future service of the current active membership.
- **Changes since prior valuation:** None.

### Valuation Procedures

- **Financial and census data:** We have used financial data submitted by the trustee as of December 31, 2007, without further audit and participant data as supplied by the plan sponsor as of January 1, 2008. Customarily, this information would not be verified by a plan's actuary. We have reviewed the information for internal consistency and we have no reason to doubt its substantial accuracy.
- **IRC Section 415(b):** The limitations of Internal Revenue Code Section 415(b) have been incorporated into our calculations.
- **Participants included:** The plan sponsor provides us with data on all employees as of the valuation date, but only those employees who have completed the plan's eligibility requirements are included in the valuation of liabilities. No actuarial liability is included for participants who terminated nonvested prior to the valuation date.
- **Changes since prior valuation:** None.

## Section VI: Actuarial Basis

### Summary of Actuarial Assumptions

<b>Measurement date</b>	December 31													
<b>Discount rate</b>	5.75% per year for 2007 expense determination 6.25% per year for 2008 expense determination													
<b>Long-term rate of return on assets</b>	7.25% per year for 2007 expense determination 7.25% per year for 2008 expense determination													
<b>Inflation</b>	3.00% per year for increase in IRC Section 415 and 401(a)(17) limitations for 2007 expense determination 3.00% per year for increase in IRC Section 415 and 401(a)(17) limitations for 2008 expense determination													
<b>Mortality elections</b>	<ul style="list-style-type: none"> <li>▪ Healthy participants                      2008 PPA separate static annuitant and nonannuitant mortality tables</li> <li>▪ Current disabled and future disabled participants      Tables specified in Revenue Ruling 96-7 for disabilities occurring before 1995</li> </ul>													
<b>Non-417(e) lump sums</b>	<ul style="list-style-type: none"> <li>▪ Mortality table                              GATT 2003 unisex mortality table</li> <li>▪ Interest rate                                 5.75% per year</li> </ul>													
<b>Other economic assumptions</b>	<ul style="list-style-type: none"> <li>▪ Salary increases                            4.00% per year compounded annually.</li> </ul>													
<b>Demographic assumptions</b>	<p>Withdrawal                                      T-1 from Actuary's Pension Handbook. See table of sample rates.</p> <p>Disability incidence                            Based on rates from the 1985 Pension Disability Study from the Conference of Consulting Actuaries. See table of sample rates.</p> <p>Retirement age                                Based on rates of retirement as follows:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: center;">Attained age</th> <th style="text-align: center;">Percentage</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">55-59</td> <td style="text-align: center;">3%</td> </tr> <tr> <td style="text-align: center;">60-61</td> <td style="text-align: center;">5%</td> </tr> <tr> <td style="text-align: center;">62</td> <td style="text-align: center;">25%</td> </tr> <tr> <td style="text-align: center;">63-64</td> <td style="text-align: center;">15%</td> </tr> <tr> <td style="text-align: center;">65 and over</td> <td style="text-align: center;">100%</td> </tr> </tbody> </table>		Attained age	Percentage	55-59	3%	60-61	5%	62	25%	63-64	15%	65 and over	100%
Attained age	Percentage													
55-59	3%													
60-61	5%													
62	25%													
63-64	15%													
65 and over	100%													

## Section VI: Actuarial Basis

### Summary of Actuarial Assumptions *(continued)*

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**Demographic assumptions (continued)**

Benefit commencement age for

- Future vested deferred                      Immediate
- Current vested deferred                      Age 65
- Future disabled                                  Earlier of age 65 and five years after date of disablement
- Current disabled                                  Earlier of age 65 and five years after date of disablement

Spouse assumptions

	<u>Male participants</u>	<u>Female participants</u>
▪ Percentage married	100%	100%
▪ Spouse age difference	Same age	Same age

---

**Form of payment**

- Active retirements and future vested deferred      Lump sum.
  - Future disabilities and deaths      Lump sum.
  - Current vested deferred      Life with 120 guaranteed payments.
- 

**Changes since prior valuation**

This discount rate was increased from 5.75% to 6.25% and the mortality was updated from the RP-2000 Tables for males and females, combined healthy, projected to 2007 with no collar adjustment to the 2008 PPA separate static annuitant/nonannuitant tables. Assumptions for disability incidence and mortality were also added.

---

### Table of Sample Rates

Attained Age	Percentage		
	Withdrawal	Male Disability Incidence	Female Disability Incidence
20	5.44%	0.029%	0.030%
25	4.89	0.038	0.047
30	3.70	0.048	0.080
35	2.35	0.069	0.136
40	1.13	0.117	0.211
45	0.27	0.202	0.323
50	0.00	0.358	0.533
55	0.00	0.722	0.952
60	0.00	1.256	1.159

## Section VI: Actuarial Basis

### Summary of Plan Provisions

Following is a summary of the major plan provisions used to determine the plan's financial position. It should not be used in determining plan benefits.

Effective date and plan year	Original plan: September 1, 1979 (originally effective January 1, 1962) Restated Plan: January 1, 2002 Plan year: January 1-December 31
Most recent amendment	No amendments to current restatement

#### Definitions

- Covered employees and participation An employee is eligible to participate on the first day of the month following completion of twelve months of employment provided such employee was credited with 1,000 or more hours during that period, and is not covered by a collective bargaining agreement.
- Vesting service Credit is given for a year's service for each plan year in which the participant has earnings for at least one hour of service.
- Credited service Number of years and months of service since the later of date of hire and January 1, 1977.
- Average monthly earnings Highest consecutive 5 of final 10 years of total calendar year earnings.
- Accrued benefit The amount of normal retirement income earned by a Member and calculated on the basis of the Member's average monthly earnings and credited service as of the date of calculation.

#### Normal retirement

- Eligibility The first day of the month coincident with or immediately following the member's 65th birthday.
- Benefit A monthly benefit equal to the sum of benefit accrued under prior plan through December 31, 1976, plus 1.7% of average monthly earnings multiplied by years of credited service after December 31, 1976.

#### Early retirement

- Eligibility The first day of any month following the attainment of age 55.
- Benefit A monthly benefit equal to the accrued benefit as of date of retirement reduced 1/180th for each of the first sixty months and 1/360th for each of the following twenty-four months by which the early retirement date precedes age 62.

## Section VI: Actuarial Basis

### Summary of Plan Provisions *(continued)*

---

#### Late retirement

- Eligibility                      The first day of any month, subsequent to a member's 65th birthday, in which such member terminates employment.
  - Benefit                              A monthly benefit based upon average monthly earnings and credited service as of the late retirement date.
- 

#### Deferred vested

- Eligibility                      An employee is eligible for a termination benefit upon completing 1 year of service.
- Benefit                              A monthly benefit payable at normal retirement equal to 100% of the accrued pension provided by employee contributions plus a vested percentage of the employer provided accrued pension based on the participant's service. A participant vests in the employer-paid portion of his benefit according to the following schedule:

<u>Years of Service</u>	<u>Vesting Percentage</u>
1	10%
2	20%
3	30%
4	40%
5	60%
6	80%
7	100%

---

#### Disability

- Eligibility                      Total and Permanent disability.
  - Benefit                              A monthly benefit commencing at the earlier of normal retirement age and five years after date of disablement based on the assumption that participant continues to earn service and credited service and compensation remains at the same level in effect prior to disablement.
- 

#### Pre-retirement death

- Eligibility                      Active or deferred vested participant.
  - Benefit                              A monthly benefit payable for the life of the beneficiary equal to 50% of the qualified joint and 50% survivor benefit. Such benefit shall be payable the first day of the month coincident with or immediately following the date of death or the first of the month coincident with or immediately following the member's age 55, if later. The death benefit is subject to a minimum of the participant's contribution account and \$50 per month in some cases. Single participants are assumed to be married to a spouse of the same age.
-

**Section VI: Actuarial Basis****Summary of Plan Provisions** *(continued)***Form of benefits**

- 
- |   |   |
|---|---|
| ▪ Automatic form for unmarried participants | Life with 120 guaranteed payments.  |
| ▪ Automatic form for married participants   | Qualified joint and 50% survivor annuity.   |
| ▪ Optional forms                            | Life annuity, life annuity with 120 guaranteed payments, joint and 50%, 66 2/3%, 75% or 100% survivor annuity, lump sum |
- 

**Miscellaneous**

- |                                      |  |
|--------------------------------------|--|
| ▪ Maximum compensation               | Compensation for any 12-month period used to determine accrued benefits may not exceed the limits in IRC Section 401(a)(17) for the calendar year in which the 12-month period begins. This limit is indexed annually. For 2008, the limit is \$230,000. |
| ▪ Maximum benefits                   | Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually. For 2008, the limit is \$185,000.  |
| ▪ Administration                     | Big Rivers.  |
| ▪ Funding medium                     | Trust.   |
| ▪ Benefits not included in valuation | None.  |
| ▪ Changes since the prior valuation  | The maximum annual benefit under Code Section 415(b) was increased from \$180,000 to \$185,000. The maximum annual compensation under Code Section 401(a)(17) was increased from \$225,000 to \$230,000.   |
-

# MERCER



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GUY CARPENTER OLIVER WYMAN

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Consulting. Outsourcing. Investments.

January 2009

# **Big Rivers Electric Corporation Bargaining Employees' Retirement Plan**

Determination of FAS 87 Expense for Fiscal Year  
Ending December 31, 2008

## **MERCER**



MARSH MERCER KROLL  
GUY CARPENTER OLIVER WYMAN

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## **Section I: Report Highlights**

### **Accounting**

Mercer has prepared this report for Big Rivers Electric Corporation to provide reporting and disclosure information for financial statements, governmental agencies and other interested parties, pursuant to FAS 87 and FAS 88 as modified by FAS 132(R) and FAS 158 relating to the Big Rivers Electric Corporation Bargaining Employees' Retirement Plan.

The net periodic benefit cost, calculated in accordance with Financial Accounting Standards Board Statement No. 87 for the fiscal year ending December 31, 2008, is a charge, of \$135,257. (Please note that this figure may be revised if assets and/or liabilities are remeasured during the year due to a plan amendment, curtailment, settlement or other significant event.) This compares to a charge of \$151,964 for the prior year.

### **Changes in Plan Provisions**

There were changes in plan provisions since the last actuarial valuation as of January 1, 2007. Please see the Summary of Plan Provisions in the Actuarial Basis section for a description of these changes.

### **Changes in Actuarial Assumptions**

There were changes in actuarial assumptions since the last actuarial valuation as of January 1, 2007. Please see the Summary of Actuarial Assumptions in the Actuarial Basis section for a description of these changes.

### **Changes in Actuarial Methods**

There were no changes in actuarial methods since the last actuarial valuation as of January 1, 2007.

## Section II: Certification

We have prepared an actuarial valuation of the Big Rivers Electric Corporation Bargaining Employees' Retirement Plan for the fiscal year ending December 31, 2008. The results of the valuation are set forth in this report, which reflects the provisions of the plan as amended and effective through December 31, 2008.

This valuation report may not be relied upon for any other purpose or by any party other than Big Rivers Electric Corporation. Mercer is not responsible for the consequences of any other use. A valuation report is a snapshot of a plan's estimated financial condition at a particular point in time; it does not predict a pension plan's future financial condition or its ability to pay benefits in the future.

Over time, a plan's total cost will depend on a number of factors, including the amount of benefits the plan pays, the number of people paid benefits and the amount earned on any assets invested to pay the benefits. These amounts and others are uncertain and unknowable at the valuation date, but are predicted to fall within a reasonable range of possibilities.

To prepare this report, *actuarial assumptions*, as described in Section VI, are used to select a single scenario from the range of possibilities. The results of that single scenario are included in this report. However, the future is uncertain and the plan's actual experience will differ from those assumptions; these differences may be significant or material. In addition, different assumptions or scenarios may also be within the reasonable range and results based on those assumptions would be different. Actuarial assumptions may also be changed from one valuation to the next because of mandated requirements, plan experience, changes in expectations about the future and other factors.

Because actual plan experience will differ from the assumptions, decisions about benefit changes, investment policy, funding amounts, benefit security and/or benefit related issues should be made only after careful consideration of alternative future financial conditions and scenarios, and not solely on the basis of a valuation report or reports.

### Data

To prepare this report, Mercer has used and relied on financial data submitted by the trustee without further audit. We have also used and relied upon participant data supplied by the plan sponsor; this data would customarily not be verified by a plan's actuary. We have reviewed the participant data for internal consistency and reasonableness and have no reason to doubt its substantial accuracy. Finally, we have used and relied on the plan documents, including amendments, supplied by the plan sponsor. The plan sponsor is solely responsible for the validity and completeness of this information.

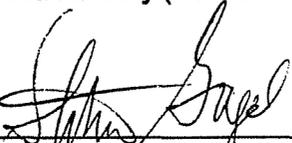
### Accounting results

The valuation of the plan was performed in accordance with generally accepted actuarial principles and procedures. The accounting calculations reported herein are consistent with our understanding of Big Rivers Electric Corporation's interpretation of the provisions of FAS Nos. 87, 88, 132(R) and 158. The actuarial assumptions were selected by the company. We believe that each of these assumptions is reasonable.

## Section II: Certification

### Professional qualifications

We are available to answer any questions on the material contained in the report, or to provide explanations or further details as may be appropriate. The undersigned credentialed actuaries meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained in this report. We are not aware of any direct or material indirect financial interest or relationship, including investments or other services that could create a conflict of interest that would impair the objectivity of our work.

 Staci James, F.S.A. Enrolled Actuary (No. 08-6060)	<u>January 26, 2009</u> Date
 Stephen A. Gagel, F.S.A. Enrolled Actuary (No. 08-2638)	<u>January 26, 2009</u> Date
Mercer 462 South Fourth Street, Suite 1100 Louisville, KY 40202 502 561 4500	

The information contained in this document (including any attachments) is not intended by Mercer to be used, and it cannot be used, for the purpose of avoiding penalties under the Internal Revenue Code that may be imposed on the taxpayer.

**Section III: Development of Costs****Net Periodic Benefit Cost**

	Fiscal Year Ending December 31, 2008	Fiscal Year Ending December 31, 2007
1. Service cost	\$ 160,367	\$ 132,634
2. Interest cost	270,734	239,878
3. Expected return on assets	(339,040)	(283,150)
4. Amortizations		
a. Transition (asset)/obligation	0	0
b. Prior service cost	13,202	13,202
c. (Gain)/loss	29,994	49,400
<b>5. Net periodic pension cost (1. + 2. + 3. + 4.)</b>	<b>\$ 135,257</b>	<b>\$ 151,964</b>
6. FAS 88 One-Time Charges	\$ 0	\$ 0
<b>7. Total pension cost (5. + 6.)</b>	<b>\$ 135,257</b>	<b>\$ 151,964</b>

Additional Items for Net Periodic Benefit Cost Calculations	Fiscal Year Ending December 31, 2008	Fiscal Year Ending December 31, 2007
Fair value of assets	\$ 4,729,898	\$ 3,942,766
Market-related value of assets	4,729,898	3,942,766
Expected expenses	0	0
▪ Expected expenses weighted for timing	0	0
Expected benefit payments	98,747	68,759
▪ Expected benefit payments weighted for timing	53,488	37,244
Expected employer contributions	0	0
▪ Expected employer contributions weighted for timing	0	0
Average future years of service	13.30	13.12

## Section III: Development of Costs

### Benefit Obligations and Assets

	January 1, 2008	January 1, 2007
<b>Funded Status</b>		
1. Accumulated benefit obligation (ABO)		
a. Active participants	\$ (2,648,115)	\$ (2,524,021)
b. Inactive participants with deferred benefits	(387,489)	(235,191)
c. Inactive participants receiving benefits	(93,813)	(86,384)
d. Total (a. + b. + c.)	\$ (3,129,417)	\$ (2,845,596)
2. Effect of future salary increases	(1,255,809)	(1,363,439)
3. Projected benefit obligation (PBO) (1.d. + 2.)	\$ (4,385,226)	\$ (4,209,035)
4. Fair value of plan assets	4,729,898	3,942,766
5. Funded status (3. + 4.)	\$ 344,672	\$ (266,269)
<b>Amounts to be Reflected in Future Periods</b>		
1. Transition obligation (asset)	\$ 0	\$ 0
2. Prior service cost (credit)	76,012	89,214
3. Net loss (gain)	871,909	1,069,034
4. Total not yet recognized in net periodic benefit cost (1. + 2. + 3.)	\$ 947,921	\$ 1,158,248

### Section III: Development of Costs

#### Amortization Amounts

Amortizations	Net Amount as of January 1, 2008	Years Remaining	Annual Amortization
1. Transition obligation (asset)	\$ 0	0.00	\$ 0
2. Prior service cost (credit)			
a. January 1, 1993	\$ 25,896	6.00	\$ 4,316
b. January 1, 1999	50,116	5.64	8,886
c. Total	\$ 76,012		\$ 13,202
3. (Gain) loss			
a. Net (gain) loss	\$ 871,909		
b. Excess of fair value over market-related value	0		
c. Net (gain)/loss potentially subject to amortization (a. + b.)	871,909		
d. Corridor	472,990		
e. Amount subject to amortization (c. - d.)	\$ 398,919	13.30	\$ 29,994

## Section IV: Plan Assets

### Summary of Assets

Asset Category	Market Value as of December 31, 2007	Market Value as of December 31, 2006
1. Net Assets	\$ 4,729,898	\$ 3,942,766

**Section IV: Plan Assets**

**Contributions for Fiscal Year Ending December 31, 2007**

Date	Amount		Participant	Total
	Employer			
12/26/2007	\$ 552,578		N/A	\$ 552,578
<b>Total</b>	<b>\$ 552,578</b>		<b>N/A</b>	<b>\$ 552,578</b>

**Expected Contributions for Fiscal Year Ending December 31, 2008**

Date	Amount		Participant	Total
	Employer			
<b>Total</b>	<b>\$ 0</b>		<b>N/A</b>	<b>\$ 0</b>

**Section V: Participant Data****Statistics**

	Plan year beginning	
	January 1, 2008	January 1, 2007
<b>Participants included in valuation</b>		
▪ Active participants		
- Vested	34	30
- Non-vested	0	0
- Total actives	34	30
▪ Inactive with deferred benefits	5	5
▪ Inactive with immediate benefits	7	7
▪ Total	46	42
<b>Active participant statistics</b>		
▪ Average age	48.1	49.0
▪ Average years of service	20.5	23.0
▪ Total compensation	\$ 2,080,959	\$ 1,805,206
▪ Average compensation	61,205	60,174
<b>Inactive deferred statistics</b>		
▪ Average age	51.4	51.0
▪ Total monthly benefits	\$ 5,292	\$ 3,088
▪ Average monthly benefits	1,058	618
<b>Inactive immediate statistics</b>		
▪ Average age	72.3	71.3
▪ Total monthly benefits	\$ 990	\$ 990
▪ Average monthly benefits	141	141

## Section V: Participant Data

### Participant Data Reconciliation

	Active participants	Inactive participants		Total
		With deferred benefits	Receiving benefits	
Beginning of the year	30	5	7	42
Retirements	0	0	0	0
Disabilities	(1)	1	N/A	0
Deaths	0	0	0	0
Non-vested terminations	0	N/A	N/A	0
Vested terminations	0	0	N/A	0
Rehires	0	0	0	0
Lump sum payouts	0	(1)	0	(1)
Survivors	N/A	0	0	0
Expiration of benefits	N/A	N/A	0	0
Transfers out	0	0	N/A	0
Transfers in	0	0	N/A	0
New entrants	5	N/A	N/A	0
Net change	4	0	0	4
End of the year	34	5	7	46

## Section V: Participant Data

### Distribution of Active Participants

Age	Years of service as of January 1, 2008										Total
	Under 1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
< 25	0	1	0	0	0	0	0	0	0	0	1
25 - 29	0	1	0	0	0	0	0	0	0	0	1
30 - 34	0	0	0	0	0	0	0	0	0	0	0
35 - 39	0	3	0	1	0	1	0	0	0	0	5
40 - 44	0	1	0	1	0	2	0	0	0	0	4
45 - 49	0	0	1	2	0	3	2	0	0	0	8
50 - 54	0	1	1	0	0	1	0	2	0	0	5
55 - 59	0	1	0	1	0	3	1	2	0	0	8
60 - 64	0	0	0	0	2	0	0	0	0	0	2
65 - 69	0	0	0	0	0	0	0	0	0	0	0
70 - 74	0	0	0	0	0	0	0	0	0	0	0
75+	0	0	0	0	0	0	0	0	0	0	0
<b>TOTAL</b>	0	8	2	5	2	10	3	4	0	0	34

In each cell, the number is the count of active participants for each age/service combination. Average pay is not shown for cells with fewer than 20 participants.

## Section VI: Actuarial Basis

### Accounting Methods

- **Actuarial cost method:** Benefit obligations shown in this addendum are computed using the projected unit credit method. Benefits are attributed to service based on the plan's benefit formula.
- **Method for determining market-related value of assets:** Fair market value.
- **Changes since prior valuation:** None.

### Accounting Policies

- **Measurement date:** December 31
- **(Gain)/loss amortization method:** Cumulative gains and losses in excess of 10% of the greater of PBO or market-related value of plan assets are amortized over the expected average remaining future service of the current active membership.
- **Changes since prior valuation:** None.

### Valuation Procedures

- **Financial and census data:** We have used financial data submitted by the trustee as of December 31, 2007, without further audit and participant data as supplied by the plan sponsor as of January 1, 2008. Customarily, this information would not be verified by a plan's actuary. We have reviewed the information for internal consistency and we have no reason to doubt its substantial accuracy.
- **IRC Section 415(b):** The limitations of Internal Revenue Code Section 415(b) have been incorporated into our calculations.
- **Participants included:** The plan sponsor provides us with data on all employees as of the valuation date, but only those employees who have completed the plan's eligibility requirements are included in the valuation of liabilities. No actuarial liability is included for participants who terminated nonvested prior to the valuation date.
- **Changes since prior valuation:** None.

## Section VI: Actuarial Basis

### Summary of Actuarial Assumptions

<b>Measurement date</b>	December 31												
<b>Discount rate</b>	5.75% per year for 2007 expense determination 6.25% per year for 2008 expense determination												
<b>Long-term rate of return on assets</b>	7.25% per year for 2007 expense determination 7.25% per year for 2008 expense determination												
<b>Inflation</b>	3.00% per year for increase in IRC Section 415 and 401(a)(17) limitations for 2007 expense determination 3.00% per year for increase in IRC Section 415 and 401(a)(17) limitations for 2008 expense determination												
<b>Mortality elections</b>	<ul style="list-style-type: none"> <li>▪ Healthy participants                      2008 PPA separate static annuitant and nonannuitant mortality tables</li> <li>▪ Current disabled and future disabled participants      Tables specified in Revenue Ruling 96-7 for disabilities occurring before 1995</li> </ul>												
<b>Non-417(e) lump sums</b>	<ul style="list-style-type: none"> <li>▪ Mortality table                                      GATT 2003 unisex mortality table</li> <li>▪ Interest rate    5.75% per year</li> </ul>												
<b>Other economic assumptions</b>	<ul style="list-style-type: none"> <li>▪ Salary increases                                      4.00% per year compounded annually.</li> </ul>												
<b>Demographic assumptions</b>													
Withdrawal	T-1 from Actuary's Pension Handbook. See table of sample rates.												
Disability incidence	Based on rates from the 1985 Pension Disability Study from the Conference of Consulting Actuaries. See table of sample rates.												
Retirement age	Based on rates of retirement as follows:												
	<table border="1"> <thead> <tr> <th>Attained age</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>55-59</td> <td>3%</td> </tr> <tr> <td>60-61</td> <td>5%</td> </tr> <tr> <td>62</td> <td>25%</td> </tr> <tr> <td>63-64</td> <td>15%</td> </tr> <tr> <td>65 and over</td> <td>100%</td> </tr> </tbody> </table>	Attained age	Percentage	55-59	3%	60-61	5%	62	25%	63-64	15%	65 and over	100%
Attained age	Percentage												
55-59	3%												
60-61	5%												
62	25%												
63-64	15%												
65 and over	100%												

## Section VI: Actuarial Basis

### Summary of Actuarial Assumptions *(continued)*

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#### Demographic assumptions *(continued)*

Benefit commencement age for

- Future vested deferred                      Immediate
- Current vested deferred                      Age 65
- Future disabled                                  Earlier of age 65 and five years after date of disablement
- Current disabled                                  Earlier of age 65 and five years after date of disablement

Spouse assumptions	<u>Male participants</u>	<u>Female participants</u>
▪ Percentage married	100%	100%
▪ Spouse age difference	Same age	Same age

---

#### Form of payment

- Active retirements and future vested deferred      Lump sum.
  - Future disabilities and deaths      Lump sum.
  - Current vested deferred      Life with 120 guaranteed payments.
- 

**Changes since prior valuation**      This discount rate was increased from 5.75% to 6.25% and the mortality was updated from the RP-2000 Tables for males and females, combined healthy, projected to 2007 with no collar adjustment to the 2008 PPA separate static annuitant/nonannuitant tables. Assumptions for disability incidence and mortality were also added.

---

Table of Sample Rates

Attained Age	Percentage		
	Withdrawal	Male Disability Incidence	Female Disability Incidence
20	5.44%	0.029%	0.030%
25	4.89	0.038	0.047
30	3.70	0.048	0.080
35	2.35	0.069	0.136
40	1.13	0.117	0.211
45	0.27	0.202	0.323
50	0.00	0.358	0.533
55	0.00	0.722	0.952
60	0.00	1.256	1.159

## Section VI: Actuarial Basis

### Summary of Plan Provisions

Following is a summary of the major plan provisions used to determine the plan's financial position. It should not be used in determining plan benefits.

Effective date and plan year	Original plan: September 1, 1979 (originally effective January 1, 1962) Restated Plan: January 1, 2002 Plan year: January 1-December 31
Most recent amendment	No amendments to current restatement

#### Definitions

- Covered employees and participation
 

An employee is eligible to participate on the first day of the month following completion of twelve months of employment provided such employee was credited with 1,000 or more hours during that period, and is covered by a collective bargaining agreement.
- Vesting service
 

Credit is given for a year's service for each plan year in which the participant has earnings for at least one hour of service.
- Credited service
 

Number of years and months of participation in revised plan after December 31, 1976.
- Average monthly earnings
 

The average of the 5 highest consecutive years of monthly base wages as of each anniversary date during the 10 years before retirement or termination.
- Accrued benefit
 

The amount of normal retirement income earned by a Member and calculated on the basis of the Member's average monthly earnings and credited service as of the date of calculation.

#### Normal retirement

- Eligibility
 

The first day of the month coincident with or immediately following the member's 65th birthday.
- Benefit
 

A monthly benefit equal to the sum of benefit accrued under prior plan through December 31, 1976, plus 1.5% of average monthly earnings multiplied by years of credited service after December 31, 1976.

#### Early retirement

- Eligibility
 

The first day of any month following the attainment of age 55.
- Benefit
 

A monthly benefit equal to the accrued benefit as of date of retirement reduced 1/180th for each of the first sixty months and 1/360th for each of the following twenty-four months by which the early retirement date precedes age 62.

## Section VI: Actuarial Basis

### Summary of Plan Provisions *(continued)*

---

**Late retirement**

- Eligibility                    The first day of any month, subsequent to a member's sixty-fifth birthday, in which such member terminates employment.
  - Benefit                        A monthly benefit based upon average monthly earnings and credited service as of the late retirement date.
- 

**Deferred vested**

- Eligibility                    An employee is eligible for a termination benefit upon completing 1 year of service.
- Benefit                        A monthly benefit payable at normal retirement equal to 100% of the accrued pension provided by employee contributions plus a vested percentage of the employer provided accrued pension based on the participant's service. A participant vests in the employer-paid portion of his benefit according to the following schedule:

<u>Years of Service</u>	<u>Vesting Percentage</u>
1	10%
2	20%
3	30%
4	40%
5	60%
6	80%
7	100%

---

**Disability**

- Eligibility                    Total and Permanent disability.
  - Benefit                        A monthly benefit commencing at the earlier of normal retirement age and five years after date of disablement based on the assumption that participant continues to earn service and credited service and compensation remains at the same level in effect prior to disablement.
- 

**Pre-retirement death**

- Eligibility                    Active or deferred vested participant.
  - Benefit                        A monthly benefit payable for the life of the beneficiary equal to 50% of the qualified joint and 50% survivor benefit. Such benefit shall be payable the first day of the month coincident with or immediately following the date of death or the first of the month coincident with or immediately following the member's age 55, if later. The death benefit is subject to a minimum of the participant's contribution account and \$50 per month in some cases. Single participants are assumed to be married to a spouse of the same age.
-

## Section VI: Actuarial Basis

### Summary of Plan Provisions *(continued)*

---

**Form of benefits**

- Automatic form for unmarried participants Life with 120 guaranteed payments.
  - Automatic form for married participants Qualified joint and 50% survivor annuity.
  - Optional forms Life annuity, life annuity with 120 guaranteed payments, joint and 50%, 66 2/3%, 75% or 100% survivor annuity, lump sum
- 

**Miscellaneous**

- Maximum compensation Compensation for any 12-month period used to determine accrued benefits may not exceed the limits in IRC Section 401(a)(17) for the calendar year in which the 12-month period begins. This limit is indexed annually. For 2008, the limit is \$230,000.
  - Maximum benefits Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually. For 2008, the limit is \$185,000.
  - Administration Big Rivers.
  - Funding medium Trust.
  - Benefits not included in valuation None.
  - Changes since the prior valuation The maximum annual benefit under Code Section 415(b) was increased from \$180,000 to \$185,000. The maximum annual compensation under Code Section 401(a)(17) was increased from \$225,000 to \$230,000.
-

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November 13, 2008

Mr. James Haner  
Manager of Human Resources & Corporate Services  
Big Rivers Electric Corporation  
201 Third Street  
P.O. Box 24  
Henderson, KY 42419-0024

**Private & Confidential**

**Subject:** Retirement Plan Funding Requirements and Accounting Expense for the 2008 Plan Year

Dear James:

We determined the following minimum required contributions, maximum deductible contributions and FAS 87 accounting expense for the Retirement Plans for the 2008 plan and fiscal years. Liability and asset information as of January 1, 2008 has also been provided.

	<i>Salaried Plan</i>	<i>Bargaining Plan</i>
<u><i>Funding Results</i></u>		
Minimum Required Contribution		
- before application of credit balance	\$1,359,064	\$222,154
- after application of credit balance	0	0
Credit balance as of 1/1/2008	5,168,938	1,698,829
Maximum Deductible Contribution	9,221,231	2,179,840
Quarterly Contributions		
- 2008 Plan Year	305,789	49,985
- 2009 Plan Year	339,766	55,539
PPA Funding Target Liability	13,182,378	3,445,243
PPA Funded Target Normal Cost	1,359,064	222,154
Market Value of Assets	17,089,607	4,729,898
<u><i>FAS 87 Accounting Results</i></u>		
FAS 87 Accounting Expense	906,771	135,257
FAS 87 Projected Benefit Obligation (PBO)	16,045,901	4,385,226
FAS 87 Accumulated Benefit Obligation (ABO)	11,868,617	3,129,419

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November 13, 2008

Mr. James Haner

Big Rivers Electric Corporation

Our calculations are based on the following information:

- Funding calculations are based on the data, assumptions, methods and plan provisions outlined in the PPA AFTAP certification for each plan.
- FAS 87 calculations are based on the data, methods and plan provisions outlined in the PPA AFTAP certification for each plan, except that the funding method for FAS 87 purposes is the projected unit credit method. In addition, cumulative gains and losses in excess of 10% of the greater of PBO or market-related value of plan assets are amortized over the expected average remaining future service of the current active membership.
- FAS 87 calculations are based on the same assumptions outlined in the PPA AFTAP certification for each plan except that the FAS 87 calculations are based on a discount rate of 6.25% and an assumed lump sum interest rate of 5.75%.
- The FAS 87 expense assumes that any contributions made to the plans during 2008 will not be taken into account. This is consistent with methodology used in prior years.

As we discussed, we plan to issue FAS 87 expense reports and information relating to FAS 35 liabilities before the end of this year, but we recommend that we delay issuing the 2008 funding valuation reports until there is some resolution regarding PPA technical corrections pending in Congress. Otherwise we may need to revise the funding valuations to reflect any changes that may be made to current guidance or to allow flexibility in the assumptions and methods we use for the 2009 valuations. We have based the information in this letter on current PPA guidance and your current assumption and method elections.

You will recall that many of the assumption and method elections you made under PPA cannot be changed without IRS approval. These assumptions and methods will be considered locked in when we issue the Schedule SB to the 2008 Form 5500. Up until that time, changes may be made to the elections you have already made.

Possible changes you may wish to consider include changing the interest rate for valuing PPA liabilities from the 24-month average segmented interest rates you elected to the full yield curve and asset smoothing if allowed under technical corrections. Using the full yield curve to value liabilities as of January 1, 2008 would only slightly lower liabilities as of that date. However, we expect liabilities as of January 1, 2009 based on the full yield curve to be significantly lower than liabilities based on the 24-month average segmented rates due to increases in corporate bond returns during 2008. Under current guidance the full yield curve

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option must also be used as of January 1, 2008, otherwise IRS approval would be required to change to the full yield curve option for 2009.

Since asset smoothing methods gradually reflect asset gains and losses, use of this method as of January 1, 2009 would help offset the impact of recent market declines on funding requirements. This method is not available under current guidance, but is available under PPA technical corrections legislation pending in Congress. As with the interest rate, the smoothing method may need to be used as of January 1, 2008 to avoid requesting IRS approval to use it as of January 1, 2009.

The credit balance for both plans was sufficient to cover 2008 quarterly contribution requirements. We anticipate it will also be sufficient to cover 2009 quarterly contribution requirements unless the credit balance is waived as of January 1, 2009 to improve the plan's funded status.

Please let me know if you have any questions regarding this information.

Sincerely,

A handwritten signature in cursive script that reads "Staci James".

Staci James, F.S.A.

Copy:  
Anne Dawson

**The information contained in this document (including any attachments) is not intended by Mercer to be used, and it cannot be used, for the purpose of avoiding penalties under the Internal Revenue Code that may be imposed on the taxpayer.**



BIG RIVERS ELECTRIC CORPORATION'S  
RESPONSE TO THE COMMISSION'S FEBRUARY 23, 2009 FIRST DATA  
REQUEST TO BIG RIVERS ELECTRIC CORPORATION  
PSC CASE NO. 2009-00040  
March 18, 2009

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**Item 39)** Refer to Big Rivers' post-retirement benefits other than pensions as accounted for pursuant to SFAS No. 106.

- a. State the date Big Rivers adopted SFAS No. 106.
- b. Show the impact on Big Rivers' financial statements at the time of adoption.
- c. Provide a complete description of the financial reporting and rate-making treatment of post-retirement benefits by Big Rivers.
- d. Provide the most recent actuarial report for post-retirement benefits.
- e. Identify, by account number and title, all test year post-retirement benefits and provide a detailed analysis showing how test year post-retirement costs were determined.
- f. Provide a comparison of the cost of post-retirement benefits during the test year and the 5 previous calendar years. In this comparison, separate the amounts that were capitalized from the amounts that were expensed.

**Response)** a. Big Rivers adopted SFAS No. 106 effective as of January 1, 1993.

b. The adoption of SFAS No. 106 had the following impact on the financial statements: Statement of Operations – Post-retirement Benefit Expense Other

BIG RIVERS ELECTRIC CORPORATION'S  
RESPONSE TO THE COMMISSION'S FEBRUARY 23, 2009 FIRST DATA  
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March 18, 2009

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4 Than Pensions - \$798,070; Balance Sheet - Accrued Post-retirement Benefit Liability -  
5 \$798,070.  
6

7           c.       Post-retirement benefits are considered payroll related overhead  
8 expenses and functionalized to the appropriate RUS labor accounts based on RUS  
9 accounting requirements. The post-retirement benefit expense is reported on Big Rivers'  
10 RUS Form 12 Statement of Operations as operation and maintenance expenses according  
11 to how labor and related overheads are functionalized during the period. Post-retirement  
12 benefit expense is reported in Big Rivers' annual audited Statement of Operations as  
13 "*Transmission and Other*" and "*Maintenance*". The accrued post-retirement benefit  
14 liability is recorded to current or noncurrent liability accounts based on SFAS No. 158  
15 requirements. The current liability portion of accrued post-retirement benefits is recorded  
16 in RUS Account No. 232.605 and reported on both Big Rivers' RUS Form 12 Balance  
17 Sheet and audited Balance Sheet as *Accounts Payable*. The noncurrent liability portion  
18 of accrued post-retirement benefit liability is recorded in RUS Account No. 228.320 and  
19 reported on Big Rivers' RUS Form 12 Balance Sheet as "*Accumulated Operating*  
20 *Provisions*" and "*Asset Retirement Obligations*", and reflected in Big Rivers' audited  
21 Balance Sheet as "*Other*" liabilities.  
22

23           d.       The non-pension post-retirement benefit valuation results for the  
24 year ending December 31, 2008, are presented in a January 16, 2009 letter and exhibits  
25 thereto prepared by Mercer. A copy of the letter and exhibits is attached.  
26

27           e.       See attached schedule "Post-Retirement Benefits". Costs are  
28 determined by using SFAS 106 calculation performed by Big Rivers Electric  
29 Corporation's actuary-Mercer. See item 39d. above for additional information.  
30

BIG RIVERS ELECTRIC CORPORATION'S  
RESPONSE TO THE COMMISSION'S FEBRUARY 23, 2009 FIRST DATA  
REQUEST TO BIG RIVERS ELECTRIC CORPORATION  
PSC CASE NO. 2009-00040  
March 18, 2009

f. See attached schedule "Comparison of Post-Retirement Benefits".

Witness) C. William Blackburn

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MARSH MERCER KROLL  
GUY CARPENTER OLIVER WYMAN

January 16, 2009

Mr. James Haner  
Manager of Human Resources  
Big Rivers Electric Corporation  
P.O. Box 24  
Henderson, KY 42420

Subject:

**Nonpension Postretirement Benefit Valuation Results for the Fiscal Year  
Ending December 31, 2008**

Dear Mr. Haner:

The purpose of this letter report is to provide you with the key cost calculations resulting from our valuation of the liabilities associated with the postretirement medical program sponsored by Big Rivers. These liabilities have been valued in accordance with our interpretation of Statements of Financial Accounting Standards Nos. 106, 132R and 158.

Attached are four exhibits which summarize our results.

- **Exhibit 1:** “Valuation Results” (presents the key cost calculations for the current plan)
- **Exhibit 2:** “FAS 158 Disclosure for the Fiscal Year Ending December 31, 2008 (provides the required FAS 158 disclosure for the 2008 fiscal year)
- **Exhibit 3:** “Actuarial Basis” (documents the major actuarial assumptions utilized to develop the valuation results)
- **Exhibit 4:** “Summary of Plan Provisions” (summarizes the provisions of the current retiree medical benefit plans)
- **Exhibit 5:** “Medical Claims Cost Derivation” (documents the calculation of claims cost)

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January 16, 2009

Mr. James Haner

Big Rivers Electric Corporation

The annual expense (or net periodic postretirement benefit cost), which is the annual charge to earnings associated with adoption of the FAS 106 accounting standard, is \$268,968 for the 2008 fiscal year, based on the plan of benefits outlined in Exhibit 4.

The enclosed information is based on census data and health insurance rates provided by Big Rivers for the 2008 and 2009 fiscal years. Other relevant assumptions are outlined on the attached exhibits.

We have prepared an actuarial valuation of the Big Rivers' postretirement benefit plan as of January 1, 2008, for the fiscal year ending December 31, 2008 to enable the plan sponsor to satisfy the accounting requirements under Statements of Financial Accounting Standards Nos. 106 and 158. The results of the valuation set forth in this report reflect the provisions of the plan as outlined in the attached Exhibit 4 and effective January 1, 2008.

All costs, liabilities and other factors under the plan were determined in accordance with generally accepted actuarial principles and procedures. The calculations reported herein are consistent with our understanding of the provisions of FAS Nos. 106, 132R and 158. The actuarial assumptions were selected by the company with the concurrence of its auditors. We believe the actuarial assumptions to be reasonable.

Actuarial computations under Statements of Financial Accounting Standards are for purposes of fulfilling employer accounting requirements. Computations for other purposes may differ significantly from the results shown in this report.

For the 2008 expense calculation we have included a disability incidence assumption (previously there was none). In addition the trend assumption was updated to reflect an updated methodology for establishing future medical trends. No other assumptions changed from the 2007 year end disclosure assumptions. For the 2008 year end disclosure the mortality table was adjusted to the mortality table required by the Pension Protection Act to be used for Retirement Plan funding purposes as of January 1, 2009 and the discount rate increased to 6.32%, based on applying the Mercer Yield Curve to projected APBO cash flows under the current plan provisions. All other assumptions and plan provisions are shown on Exhibits 3 and 4 of this report.

We have **not** included an adjustment for the impact of any federal subsidy under the Medicare Prescription Drug, Improvement and Modernization Act of 2003, as your plan started offering Medicare Part D plans beginning in 2006 and is not eligible for this subsidy.

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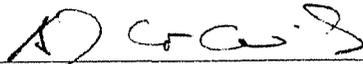
January 16, 2009

Mr. James Haner

Big Rivers Electric Corporation

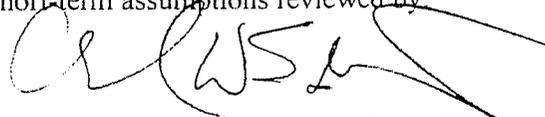
We are available to answer any questions on this material, or to provide explanations or further details as may be appropriate. If you have any questions or need additional information, please call Dwayne Jarboe at (502) 561-4720. Collectively, the undersigned credentialed actuaries meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained in this report. As referenced below, long-term assumptions include those assumptions not related to health care claims costs.

Sincerely,

  
\_\_\_\_\_  
Alan J. Craig, F.S.A., M.A.A.A.

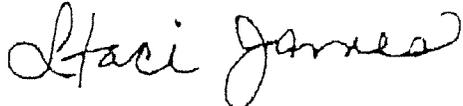
January 16, 2009  
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Date

Short-term assumptions reviewed by:

  
\_\_\_\_\_  
Charles W. Edwards III, F.S.A., M.A.A.A.

January 16, 2009  
\_\_\_\_\_  
Date

Long-term assumptions reviewed by:

  
\_\_\_\_\_  
Staci James, F.S.A., E.A., M.A.A.A.

January 16, 2009  
\_\_\_\_\_  
Date

Copy:  
Dwayne Jarboe

Enclosure

**The information contained in this document (including any attachments) is not intended by Mercer to be used, and it cannot be used, for the purpose of avoiding penalties under the Internal Revenue Code that may be imposed on the taxpayer.**

**Exhibit 1**

**Valuation Results for the Fiscal Year Ending December 31, 2008**

	Salaried	Bargaining	Total
Expected Postretirement Benefit Obligation (EPBO) at the beginning of period	\$ 3,781,456	\$ 247,192	\$ 4,028,648

<b>Accumulated Postretirement Benefit Obligation (APBO) at the beginning of period</b>			
Inactive	\$ 966,288	\$ -	\$ 966,288
Active Fully Eligible	\$ 946,981	\$ -	\$ 946,981
Active Not Fully Eligible	\$ 858,941	\$ 141,299	\$ 1,000,240
<b>Total</b>	<b>\$ 2,772,210</b>	<b>\$ 141,299</b>	<b>\$ 2,913,509</b>

<b>FAS 106 Expense</b>			
Service Cost	\$ 119,661	\$ 9,892	\$ 129,553
Interest Cost	\$ 158,423	\$ 8,266	\$ 166,689
Amortization Amounts			
Amortization of Transition Obligation*	\$ 29,191	\$ 1,488	\$ 30,679
Prior Service Cost	\$ 791	\$ 860	\$ 1,651
(Gain)/Loss	\$ (56,407)	\$ (3,197)	\$ (59,604)
<b>Total Expense</b>	<b>\$ 251,659</b>	<b>\$ 17,309</b>	<b>\$ 268,968</b>

Projected Cash Flow for 2008	\$ 128,244	\$ -	\$ 128,244
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<b>Amortization of (Gain)/Loss</b>			
1. APBO as of January 1, 2008	\$ 2,772,210	\$ 141,299	\$ 2,913,509
2. Unrecognized Transition Obligation*	\$ 145,960	\$ 7,440	\$ 153,400
3. Unrecognized Prior Service Cost	\$ 4,347	\$ 4,726	\$ 9,073
4. (Accrued)/Prepaid Postretirement Benefit Cost*	\$ (3,688,814)	\$ (188,018)	\$ (3,876,832)
5. Unrecognized (Gain)/Loss (1)-(2)-(3)+(4)	\$ (1,066,911)	\$ (58,885)	\$ (1,125,796)
6. 10% of (1)	\$ 277,221	\$ 14,130	\$ 291,351
7. Unrecognized (Gain)/Loss Subject to Amortization	\$ (789,690)	\$ (44,755)	\$ (834,445)
8. Average Future Service of Active Participants	14	14	14
9. Amortization of (Gain)/Loss (7)/(8)	\$ (56,407)	\$ (3,197)	\$ (59,604)

<b>Participant Data</b>			
Active Fully Eligible	29	-	29
Active Not Fully Eligible	57	26	83
Retirees Receiving Benefits	34	1	35
Spouses Receiving Benefits	14	1	15
Disabled**	7	2	9
Spouses of Disabled**	2	-	2
<b>Total</b>	<b>143</b>	<b>30</b>	<b>173</b>

\* Breakout of Transition Obligation and (Accrued) between Salaried and Bargaining is based on APBO. The (Accrued) was provided in a letter from Ms. Cindy Duckworth dated October 28, 2008.

\*\* Expense under FAS 106 excludes cost for disabled employees. These liabilities are covered under FAS112.

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Big Rivers Electric Corporation

Exhibit 2

FAS 158 Disclosure for the Fiscal Year Ending December 31, 2008

	2008	2007
<b>Change in benefit obligation</b>		
Benefit obligation at beginning of year	\$ 2,861,761	\$ 2,711,850
Service cost	129,553	84,430
Interest cost	166,689	153,269
Participant contributions*	60,956	45,172
Plan amendments	-	-
Curtailments	-	-
Settlements	-	-
Special termination benefits	-	-
Benefits paid*	(178,698)	(170,057)
Actuarial (gain) or loss	(92,142)	37,097
Benefit Obligation at end of year	\$ 2,948,119	\$ 2,861,761
<b>Change in plan assets</b>		
Fair value of plan assets at beginning of year	\$ -	\$ -
Actual return on assets	-	-
Employer contributions	117,742	124,885
Participant contributions*	60,956	45,172
Benefits paid *	(178,698)	(170,057)
Settlements	-	-
Fair value of plan assets at end of year	\$ -	\$ -
<b>Funded status</b>		
Funded status	\$ (2,948,119)	\$ (2,861,761)
Employer contributions between measurement date and fiscal year end	-	-
Net amount recognized in statement of financial position (after FAS 158)	\$ (2,948,119)	\$ (2,861,761)
<b>Amounts recognized in the statement of financial position consist of:</b>		
Noncurrent assets	\$ -	\$ -
Current liabilities	(155,776)	(138,404)
Noncurrent liabilities	(2,792,343)	(2,723,357)
Net amount recognized in statement of financial position (after FAS 158)	\$ (2,948,119)	\$ (2,861,761)
<b>Amounts not yet reflected in net periodic benefit cost and included in accumulated other comprehensive income</b>		
Transition obligation asset (obligation)	\$ (122,721)	\$ (153,400)
Prior service credit (cost)	(7,422)	(9,073)
Accumulated gain (loss)	1,199,581	1,177,545
<b>Accumulated other comprehensive income (AOCI)</b>	<b>1,069,438</b>	<b>1,015,072</b>
Cumulative employer contributions in excess of net periodic benefit cost	(4,017,557)	(3,876,833)
Net amount recognized in statement of financial position (after FAS 158)	\$ (2,948,119)	\$ (2,861,761)
<b>Components of net periodic postretirement benefit cost</b>		
Service cost	\$ 129,553	\$ 84,430
Interest cost	166,689	153,269
Expected return on plan assets	-	-
Amortization of transition obligation	30,679	30,679
Amortization of prior service cost	1,651	1,651
Recognized actuarial (gain) or loss	(59,603)	(70,325)
Net periodic postretirement benefit cost	\$ 268,969	\$ 199,704
<b>Estimated amounts that will be amortized from accumulated other comprehensive income over the next fiscal year</b>		
Amortization of transition obligation (asset)	\$ 30,679	\$ 30,679
Amortization of prior service cost (credit)	\$ 1,651	\$ 1,651
Amortization of net (gain) loss	\$ (64,626)	\$ (63,669)
<b>Weighted-average assumptions as of December 31</b>		
Discount rate	6.32%	5.85%
Expected long-term rate of return on plan assets	N/A	N/A
Rate of compensation increase	N/A	N/A
<b>Health care cost trend rate assumption as of December 31</b>		
Initial trend rate	7.9%	8.0%
Ultimate trend rate	4.5%	5.5%
Year ultimate trend is reached	2028	2012

\* Participant contributions and benefits paid include an amount Western Kentucky Energy Corp (WKEC) is contractually required to reimburse for certain retirees. These benefits are excluded from the calculation of obligations and the projection of future cash flows in this exhibit.

FAS 158 Disclosure for the Fiscal Year Ending December 31, 2008

Sensitivity to trend rate assumptions	2008	2007
A one-percentage-point change in assumed health care cost trend rates would have the following effects:		
<b>One-Percentage-Point Decrease</b>		
Effect on total service and interest cost components	\$ (37,028)	\$ (27,977)
Effect on year end benefit obligation	(290,374)	(267,914)
<b>One-Percentage-Point Increase</b>		
Effect on total service and interest cost components	\$ 44,338	\$ 33,816
Effect on year end benefit obligation	336,928	312,979

The following benefit payments, net of retiree contributions and which reflect expected future service, as appropriate, are expected to be paid:

2009	\$ 155,776
2010	\$ 177,749
2011	\$ 197,443
2012	\$ 220,015
2013	\$ 255,151
Five year period 2014 through 2018	\$ 1,419,139

**Actuarial Basis**

**A. Method for Determining Market-Related Value of Assets**

The plan has no assets.

**B. Funding Policy**

The benefits of the postretirement medical plan are funded on a pay-as-you-go basis. The company funds on a cash basis as benefits are paid. There are no assets that have been segregated and restricted to provide for postretirement benefits.

**C. Summary of Actuarial Assumptions**

The following assumptions were used in valuing the liabilities and benefits under the Plan.

<b>Discount Rate</b>	January 1, 2008 – 5.85% per annum December 31, 2008 – 6.32% per annum																				
<b>Mortality</b>	<ul style="list-style-type: none"> <li>• <b>Healthy</b> January 1, 2008 – 2008 PPA separate static annuitant and nonannuitant mortality tables. December 31, 2008 – 2009 PPA separate static annuitant and nonannuitant mortality tables.</li> <li>• <b>Disabled</b> Tables specified in Revenue Ruling 96-7 for disabilities occurring before 1995</li> </ul>																				
<b>Withdrawal</b>	<p>Turnover is based on the T-1 table. Rates at sample ages are shown below:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: center;">Age</th> <th style="text-align: center;">Male</th> <th style="text-align: center;">Female</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">25</td> <td style="text-align: center;">4.895%</td> <td style="text-align: center;">4.895%</td> </tr> <tr> <td style="text-align: center;">30</td> <td style="text-align: center;">3.702%</td> <td style="text-align: center;">3.702%</td> </tr> <tr> <td style="text-align: center;">40</td> <td style="text-align: center;">1.128%</td> <td style="text-align: center;">1.128%</td> </tr> <tr> <td style="text-align: center;">45</td> <td style="text-align: center;">0.265%</td> <td style="text-align: center;">0.265%</td> </tr> <tr> <td style="text-align: center;">50</td> <td style="text-align: center;">0.000%</td> <td style="text-align: center;">0.000%</td> </tr> </tbody> </table> <p>No withdrawal is assumed after attainment of eligibility for retirement.</p>			Age	Male	Female	25	4.895%	4.895%	30	3.702%	3.702%	40	1.128%	1.128%	45	0.265%	0.265%	50	0.000%	0.000%
Age	Male	Female																			
25	4.895%	4.895%																			
30	3.702%	3.702%																			
40	1.128%	1.128%																			
45	0.265%	0.265%																			
50	0.000%	0.000%																			
<b>Disability incidence</b>	Based on rates from the 1985 Pension Disability Study from the Conference of Consulting Actuaries. See table of sample rates. Disabled employees are not eligible for postretirement medical benefits and no liability for disabled employees is included in this report.																				
<b>Retirement Rates</b>	<b>Age</b>	<b>Salaried</b>	<b>Bargaining</b>																		
	55–59	3%	3%																		
	60–61	5%	5%																		
	62	25%	25%																		
	63–64	15%	15%																		
	65+	100%	100%																		
<b>Marital Status</b>	<ul style="list-style-type: none"> <li>• <b>Percentage Married at Retirement</b> Females ..... 80% Males ..... 80%</li> <li>• <b>Age Difference of Spouses</b> Males are assumed to be three years older than female spouses.</li> </ul>																				

C. Summary of Actuarial Assumptions (continued)

Assumptions Unique to SFAS 106 Valuations

<p>2008 Annual Age 65 Per-Capita Claims Cost</p>	<table border="1"> <thead> <tr> <th></th> <th style="text-align: center;">Salaried</th> <th style="text-align: center;">Bargaining</th> </tr> </thead> <tbody> <tr> <td>• Pre-Medicare</td> <td style="text-align: right;">\$ 10,686</td> <td style="text-align: right;">\$ 10,686</td> </tr> <tr> <td>• Post-Medicare</td> <td></td> <td></td> </tr> <tr> <td>    • Medical</td> <td style="text-align: right;">\$ 939</td> <td style="text-align: right;">\$ N/A</td> </tr> <tr> <td>    • Part D<sup>1</sup></td> <td style="text-align: right;">\$ 1,156</td> <td style="text-align: right;">\$ N/A</td> </tr> </tbody> </table> <p><i>The above claims costs include administrative expenses.</i></p>		Salaried	Bargaining	• Pre-Medicare	\$ 10,686	\$ 10,686	• Post-Medicare			• Medical	\$ 939	\$ N/A	• Part D <sup>1</sup>	\$ 1,156	\$ N/A																													
	Salaried	Bargaining																																											
• Pre-Medicare	\$ 10,686	\$ 10,686																																											
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• Medical	\$ 939	\$ N/A																																											
• Part D <sup>1</sup>	\$ 1,156	\$ N/A																																											
<p>Health Care Cost Trend Rates</p>	<p>The trend rates below represent the assumed rates of increase in per capita employer claim payments:</p> <table border="1"> <thead> <tr> <th style="text-align: center;">Years</th> <th style="text-align: center;">Medical Annual Rates of Increase</th> </tr> </thead> <tbody> <tr><td>2008</td><td style="text-align: right;">8.0%</td></tr> <tr><td>2009</td><td style="text-align: right;">7.9%</td></tr> <tr><td>2010</td><td style="text-align: right;">7.7%</td></tr> <tr><td>2011</td><td style="text-align: right;">7.6%</td></tr> <tr><td>2012</td><td style="text-align: right;">7.4%</td></tr> <tr><td>2013</td><td style="text-align: right;">7.3%</td></tr> <tr><td>2014</td><td style="text-align: right;">7.2%</td></tr> <tr><td>2015</td><td style="text-align: right;">7.0%</td></tr> <tr><td>2016</td><td style="text-align: right;">6.9%</td></tr> <tr><td>2017</td><td style="text-align: right;">6.8%</td></tr> <tr><td>2018</td><td style="text-align: right;">6.6%</td></tr> <tr><td>2019</td><td style="text-align: right;">6.4%</td></tr> <tr><td>2020</td><td style="text-align: right;">6.2%</td></tr> <tr><td>2021</td><td style="text-align: right;">6.0%</td></tr> <tr><td>2022</td><td style="text-align: right;">5.8%</td></tr> <tr><td>2023</td><td style="text-align: right;">5.6%</td></tr> <tr><td>2024</td><td style="text-align: right;">5.4%</td></tr> <tr><td>2025</td><td style="text-align: right;">5.2%</td></tr> <tr><td>2026</td><td style="text-align: right;">5.0%</td></tr> <tr><td>2027</td><td style="text-align: right;">4.8%</td></tr> <tr><td>2028+</td><td style="text-align: right;">4.5%</td></tr> </tbody> </table>	Years	Medical Annual Rates of Increase	2008	8.0%	2009	7.9%	2010	7.7%	2011	7.6%	2012	7.4%	2013	7.3%	2014	7.2%	2015	7.0%	2016	6.9%	2017	6.8%	2018	6.6%	2019	6.4%	2020	6.2%	2021	6.0%	2022	5.8%	2023	5.6%	2024	5.4%	2025	5.2%	2026	5.0%	2027	4.8%	2028+	4.5%
Years	Medical Annual Rates of Increase																																												
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2027	4.8%																																												
2028+	4.5%																																												
<p>Retiree Contribution Increases</p>	<p>Retirees pay certain percentages of the premium to remain covered under the plan. The portion of the required contribution based on the premium rate is assumed to increase at the same trend rates as incurred claims. See Exhibit 4 for more information on required contributions.</p>																																												

<sup>1</sup> This is the projected Part D plan costs for future Medicare-eligible retirees. For current Medicare-eligible retirees we value the retiree's elected option.

C. Summary of Actuarial Assumptions (continued)

Assumptions Unique to SFAS 106 Valuations (continued)

Aging Rates at Sample Ages	Attained Age	Factor
		55
	65	2.5%
	70	2.0%
	75	1.5%
	80 +	0.0%
Plan Participation and Persistency	95% of future retirees are assumed to elect coverage. 75% of male and 35% of female retirees electing coverage who have spouses are assumed to elect spousal coverage. In addition we have also assumed, for retirees who retired after January 1, 1994 with required contributions, that retirees and spouses over age 65 will drop coverage at a rate of 5% per year due to the level of required contribution.	
Attribution Period	<p>The attribution period is the period of an employee's service to which the expected postretirement benefit obligation for that employee is assigned.</p> <p>The beginning of the attribution period is the date of hire, which is the beginning of the credited service period. The end of the attribution period is the full eligibility date, which for the medical plan occurs at age 55 for salaried employees or age 62 for bargaining employees.</p>	

Summary of Plan Provisions

	Bargaining	Salaried
<b>Plan Type</b>	PPO	PPO
<b>Deductible</b>	\$250 per person, \$500 family in-network and two times that out-of-network	\$250 per person, \$500 family in-network and two times that out-of-network
<b>Co-Insurance</b>	90% in-network, 70% out-of-network for most benefits. Office visits (after co-payment), wellness, and immunizations are covered at 100% in-network	90% in-network, 70% out-of-network for most benefits. Office visits (after co-payment), wellness, and immunizations are covered at 100% in-network
<b>Out-of-Pocket Limit</b>	\$1,000 per person, \$2,000 family in-network, excluding deductible and co-payments; two times that out-of-network	\$1,000 per person, \$2,000 family in-network, excluding deductible and co-payments; two times that out-of-network
<b>Office Visit Copayment</b>	\$25	\$25
<b>Prescription Drugs</b>	Generic - \$10 copayment for 30 day supply from pharmacy or 90 day supply from mail order service Brand - \$15 for 30 day supply, \$20 for 90 day from mail order plus cost difference of brand over generic	Generic - \$10 copayment for 30 day supply from pharmacy or 90 day supply from mail order service Brand - \$15 for 30 day supply, \$20 for 90 day from mail order plus cost difference of brand over generic
<b>Lifetime Maximum</b>	Unlimited	Unlimited
<b>Retiree/Spouse Contribution<sup>1</sup></b> age 55-62 age 62-65 age 65 + <sup>3</sup>	Not eligible 15% of active premium <sup>2</sup> Not eligible	75% of active premium 15% of active premium 75% less \$25 (\$9 medical and \$16 drug) per month <sup>4</sup>
<b>Survivor Eligibility</b>	Coverage ceases upon death of retiree – eligible for COBRA continuation	Coverage continued for up to 36 months after retiree's death at expense of survivor
<b>Medicare Coordination</b>	N/A	Carve-out
<b>Eligibility for Benefits</b>	Age 62	Age 55

All benefits are offered through an arrangement with the NRECA. Effective January 1, 2006 the NRECA became a Medicare Part D Prescription Drug Plan (PDP) and has unbundled the medical and prescription drug coverage for retirees over age 65. The NRECA offers these retirees a choice of five drug plan options along with the Medicare Carve-out program.

<sup>1</sup> Contributions are based on the attained age of the retiree or spouse

<sup>2</sup> Spouses under age 62 pay 75% of active premium for dependent coverage

<sup>3</sup> Retiree must be enrolled in Medicare Part B to be eligible for Medicare Carve-out plan

<sup>4</sup> Salaried employees and their spouses who retired prior to January 1, 1994 receive the Medicare-Carve out plan with no retiree contribution required for their lifetime.

**Medical Claims Cost Derivation**

**Pre-65 (before Medicare)**

Medical claim costs for 2008 were derived from projections based on insured rates for January 1, 2009 through December 31, 2009 for active and retired employees. These rates include expenses of the plan such as administrative costs. Pre-65 retiree rates were then developed by adjusting these active rates to expected levels for a pre-65 retiree group using actuarial aging factors.

**Post-65 (after Medicare)**

Big Rivers currently provides Medicare supplement coverage on a carve-out basis, with Medicare Part D plans offered for prescription drug coverage beginning in 2006. Similar to the Pre-65 claims costs the post-65 claims costs were based on insured rates for January 1, 2009 through December 31, 2009 for retirees and dependents who are Medicare eligible. The average claims costs for the Medicare supplement were then adjusted using our aging factors to reflect the impact of aging on this group. Part D costs for Medicare eligible retirees are based on the plan the retiree has elected and are not shown below. Assumed Part D plan costs for current active employees and retirees under age 65 are based on a weighted average of the costs for the plans elected by current Medicare eligible retirees with required contributions. An aging adjustment was not applied to the Medicare Part D plans.

The preceding methodology produces the following sample 2008 annual claims costs used for this valuation:

Age	Salaried		Bargaining
	Medical	Part D Plan	Medical
55	\$7,576	Not Applicable	\$7,576
60	\$8,997	Not Applicable	\$8,997
64	\$10,325	Not Applicable	\$10,325
65	\$ 939	\$1,156	Not Eligible
70	\$ 1,062	\$1,156	Not Eligible
75	\$1,173	\$1,156	Not Eligible
80+	\$1,264	\$1,156	Not Eligible

Big Rivers Electric Corporation

Case No. 2009-00040

Post-Retirement Benefits by Account Number and Title  
For Test Year Ended 11/30/2008

Account Number (a)	Account Title (b)	Pension Costs (c)
107.0000	CONSTRUCTION WORK IN PROGRESS	9,627.29
108.8000	RETIREMENT WORK IN PROCESS	226.73
143.2000	OTHER ACCOUNTS RECEIVABLE-MISCELLANEOUS	43.09
143.4200	ACCTS REC - WKE/TRANSMISSION	3.49
183.0000	PRELIM SURVEY & INVESTIGATION CHARGES	1,294.78
184.2000	TRANSPORTATION EXPENSE-OTHER	119.13
184.3000	TRANSPORTATION EXPENSE-VEHICLE 1	91.16
184.3390	TRANSPORTATION EXPENSE-VEHICLE 103	9.14
184.3750	TRANSPORTATION EXPENSE-VEHICLE 275	19.00
184.5000	CLEARING ACCOUNT - STAT TWO SWITCHYARD	0.00
426.1000	DONATIONS-LABOR	0.00
426.4000	CIVIC, POLITICAL, RELATED ACT.-LABOR	0.00
560.1000	OPER SUPERVISION & ENG-LINES-LABOR	9,469.74
560.2000	OPER SUPERVISION & ENG-STATIONS-LABOR	9,261.47
561.1000	LOAD DISPATCHING-LABOR	29,288.52
562.1000	STATION EXPENSES-LABOR	5,839.10
563.1000	OVERHEAD LINE EXPENSES-LABOR	2,218.88

Big Rivers Electric Corporation

Case No. 2009-00040

Post-Retirement Benefits by Account Number and Title  
For Test Year Ended 11/30/2008

Account Number (a)	Account Title (b)	Pension Costs (c)
566.1000	MISC TRANSMISSION EX-LINES-LABOR	3,837.04
566.2000	MISC TRANSMISSION EX-STATIONS-LABOR	3,965.88
568.1000	MAINT SUPERVISION & ENG-LINES-LABOR	6,581.50
568.2000	MAINT SUPERVISION & ENG-STATIONS-LABOR	7,708.17
569.1000	MAINT STRUCTURES-LABOR	123.60
570.1000	MAINT STATION EQUIPMENT-LABOR	14,697.14
571.1000	MAINT OVERHEAD LINES-LABOR	6,364.26
573.1000	MAINT MISC TRANSMISSION PLT-LINE-LABOR	125.75
573.2000	MAINT MISC TRANSMISSION PLT-STA-LABOR	223.71
908.1000	CUSTOMER ASSISTANCE EXPENSES-LABOR	14,476.61
920.1000	ADMINISTRATIVE AND GENERAL SALARIES	121,496.27
920.1010	ADMIN & GENERAL SALARIES - POWER SUPPLY	27,863.79
920.1020	ADMIN & GENERAL SALARIES - CUSTOMER SERV	23,451.86
920.1030	ADMIN & GENERAL SALARIES - GENERATION	18,038.79
925.1000	INJURIES & DAMAGES-LABOR	0.00
935.1000	MAINTENANCE OF GENERAL PLANT-LABOR	160.55
	TOTAL	316,626.44





BIG RIVERS ELECTRIC CORPORATION'S  
RESPONSE TO THE COMMISSION'S FEBRUARY 23, 2009 FIRST DATA  
REQUEST TO BIG RIVERS ELECTRIC CORPORATION  
PSC CASE NO. 2009-00040  
March 18, 2009

1  
2  
3 **Item 40)** Refer to Big Rivers' post-employment benefits as accounted for pursuant  
4 to SFAS 112.

5  
6 a. State the date Big Rivers adopted SFAS 112.

7  
8 b. Show the impact on Big Rivers' financial statements at the time of  
9 adoption.

10 c. Provide a complete description of the financial reporting and rate-  
11 making treatment of post-employment benefits.

12  
13 d. Provide the most recent actuarial report for post-employment  
14 benefits.

15  
16 e. Identify, by account number and title, all test year post-  
17 employment benefits and provide a detailed analysis showing how test year post-  
18 employment costs were determined.

19  
20 f. Provide a comparison of the cost of post-employment benefits  
21 during the test year and the 5 previous calendar years. In this comparison, separate the  
22 amounts that were capitalized from the amounts that were expensed.

23  
24 **Response)** a. Big Rivers adopted SFAS No. 112 effective as of January 1, 1994.

25  
26 b. The impact of adopting SFAS No. 112 did not have a material  
27 effect on Big Rivers' financial position or results of operations.

28  
29 c. Post-employment benefit expense is recorded in RUS Account No.  
30 926.100 and reported on Big Rivers' RUS Form 12 Statement of Operations as

BIG RIVERS ELECTRIC CORPORATION'S  
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4 “*Operating Expense – Administrative & General*”, and reflected in Big Rivers’ annual  
5 audited Statement of Operations as “*Transmission and Other*”. The accrued post-  
6 employment benefit liability is recorded in RUS Account No. 228.350 and reported on  
7 Big Rivers’ RUS Form 12 Balance Sheet as “*Accumulated Operating Provisions and*  
8 *Asset Retirement Obligations*”, and reflected in Big Rivers’ audited Balance Sheet as  
9 “*Other*” liabilities. Big Rivers’ rates are cash flow based and include only the test year  
10 cash flow requirements for post-employment benefits.

11  
12 d. Big Rivers calculates its FAS 112 post-employment benefits  
13 liability (its liability to provide medical care to employees who terminated employment  
14 due to disability) using the latest known costs from NRECA, and the discount rate and  
15 health care cost trend rates provided by Mercer in its actuarial report on post-retirement  
16 benefits (see response to Item 39d). A copy of Big Rivers’ worksheet showing its FAS  
17 112 liability as of December 31, 2008, is attached.

18  
19 e. Post-Employment benefits are expensed to Account Number  
20 926.1000 Employee Pensions-Benefits-LTD-Labor. Costs are determined by using SFAS  
21 112 calculation performed by Big Rivers Electric Corporation. See item 40d. above for  
22 additional information.

23  
24 f. A schedule showing the cost of post-employment benefits during  
25 the test year and the years 2003 through 2007 is attached.

26  
27 **Witness)** C. William Blackburn

**Big Rivers Electric Corporation**

**Case No. 2009-00040**

**Post-Employment Benefits  
(Item 40 d)  
For the Year Ended December 31, 2008**

<b>Employee No.</b>	<b>MONTHS</b>	<b>NET MONTHLY PREMIUM</b>	<b>NET COST W/O GROWTH</b>	<b>W/O GROWTH PRESENT VALUE (6.32%/YR)</b>	<b>NET COST INFLATED (from 7.9% to 4.5%/YR)</b>	<b>INFLATED COST PRESENT VALUE (6.32%/YR)</b>
<b>B-LTD</b>						
949	112	102.19	11,445.28	6,459.83	15,781.08	8,907.00
777	36	425.36	15,312.96	12,741.31	16,543.44	13,765.15
2055	95	102.19	9,708.05	5,976.26	12,674.09	7,802.15
2544	83	102.19	8,481.77	5,551.35	10,658.22	6,975.85
2249	252	102.19	25,751.88	7,110.41	53,805.48	14,856.35
2458	7	488.59	3,420.13	3,300.03	3,420.13	3,300.03
952	38	823.05	31,275.90	25,758.95	34,069.12	28,059.46
<b>Subtotal</b>			<b>105,395.97</b>	<b>66,898.14</b>	<b>146,951.56</b>	<b>83,665.99</b>
<b>S-LTD</b>						
441	62	35.35	2,191.70	1,596.87	2,576.76	1,877.42
<b>Subtotal</b>			<b>2,191.70</b>	<b>1,596.87</b>	<b>2,576.76</b>	<b>1,877.42</b>
<b>Total</b>			<b>107,587.67</b>	<b>68,495.01</b>	<b>149,528.32</b>	<b>85,543.41</b>

**Big Rivers Electric Corporation**

**Case No. 2009-00040**

**Post-Employment Benefits Comparison  
(Item 40 f)  
For the Test Year Ending November 30, 2008**

	<b>Test Year Ending 11/30/08</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>
Expensed	19,757	42,778	(47,562)	27,341	28,320	62,917
Capitalized	0	0	0	0	0	0



BIG RIVERS ELECTRIC CORPORATION'S  
RESPONSE TO THE COMMISSION'S FEBRUARY 23, 2009 FIRST DATA  
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March 18, 2009

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3 **Item 41)** Refer to Big Rivers' adoption of SFAS No. 158, "Employers' Accounting  
4 for Defined Benefit Pension and Other Postretirement Plans." Provide the following:

- 5  
6 a. The date that Big Rivers adopted SFAS No. 158;  
7  
8 b. The effect on the financial statements; and  
9  
10 c. The cost related to SFAS No. 158 that is included in the test year.  
11

12 **Response)** a. Big Rivers adopted SFAS No. 158 for year ended December 31,  
13 2007.

14  
15 b. SFAS No. 158 required Big Rivers to recognize the funded status  
16 of its defined benefit pension plans and other postretirement plans on its Balance Sheet.  
17 SFAS No. 158 defines the funded status of a defined benefit pension plan as the fair  
18 value of its assets less its projected benefit obligation, which includes projected salary  
19 increases, and defines the funded status of any other postretirement plan as the fair value  
20 of its assets less its accumulated postretirement benefit obligation. At adoption, Big  
21 Rivers' defined benefit pension plans reflected an overfunded status and were recorded as  
22 a "noncurrent asset" with an offsetting credit to "accumulated other comprehensive  
23 income" on the Balance Sheet. Big Rivers' postretirement benefit is unfunded and was  
24 recorded in 2007 with both a "current liability" portion (amounts anticipated to be paid  
25 in 2008) and a "noncurrent liability" portion (amounts anticipated to be paid after 2008).  
26 These liabilities were offset by a charge to "accumulated other comprehensive income."  
27

28 c. SFAS No. 158 recognizes on Big Rivers' Balance Sheet the funded  
29 status of its defined benefit pension plans and other postretirement plans. There are no  
30 additional costs related to the Big Rivers' pension plans and other postretirement plans as  
31

BIG RIVERS ELECTRIC CORPORATION'S  
RESPONSE TO THE COMMISSION'S FEBRUARY 23, 2009 FIRST DATA  
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the result of adopting SFAS No. 158. Therefore, there are no costs related specifically to the adoption of SFAS No. 158 included in the test year.

**Witness)** C. William Blackburn



BIG RIVERS ELECTRIC CORPORATION'S  
RESPONSE TO THE COMMISSION'S FEBRUARY 23, 2009 FIRST DATA  
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**Item 42)** Describe how the test-year capitalization rate was determined. If differing rates were used for specific expenses (i.e., payroll, transportation clearing accounts, depreciation, etc.), indicate the rate and how it was determined. Indicate all proposed changes to the test-year capitalization rate and how they were determined.

**Response)** For informational purposes only, the computation of Big Rivers' capitalization rate for the test year (the 12 month period ending November 30, 2008) is attached hereto. Big Rivers employs a direct assignment, functional-based, allocation of costs. Please see the Big Rivers response to Item 7 herein.

**Witness)** C. William Blackburn

BIG RIVERS ELECTRIC CORPORATION'S  
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**Actual  
Capitalization  
As of  
30-Nov-08**

Debt	1,037,676,551
Total Margins and Equities	<u>(140,808,940)</u>
<b>Capitalization</b>	<b><u>896,867,610</u></b>
Total Utility Revenue	248,208,004
<u>Less:</u>	
Operations	142,607,928
Maintenance	4,080,376
Depreciation	5,128,247
Taxes	<u>1,119,847</u>
	<u>152,936,398</u>
<b>Operating Income</b>	<b>95,271,606</b>
Interest Expense & Other Deductions	<u>58,800,281</u>
Margins	<u>36,471,325</u>
<b>Capitalization Rate</b>	<b>10.62%</b>