October 30, 2019

Re: 2020 Renewal and Open Enrollment Notice for the Diocesan Group Healthcare Program

Dear Diocesan Administrators:

The Diocesan self-insured group healthcare program will continue to be administered by BlueCross BlueShield of Nebraska for medical and prescription claims administration for the 2020 plan year. The group dental coverage will continue through Ameritas.

BlueCross BlueShield will be issuing new identification cards with all new ID numbers. The new cards will be issued to all members in December. Please make sure to alert employees to be watching for this mailing.

Health insurance premiums for 2020 will be increasing 7.0%. This increase is based on an expected increase in health care costs and claims specifically related to our plan.

The 2020 monthly healthcare premiums:

<table>
<thead>
<tr>
<th>Coverage Tiers</th>
<th>2020 Rates</th>
<th>2019 Rates</th>
<th>$ Increase/month</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single</td>
<td>$730.00</td>
<td>$681.00</td>
<td>$49.00</td>
</tr>
<tr>
<td>Single + 1</td>
<td>$1,250.00</td>
<td>$1,168.00</td>
<td>$82.00</td>
</tr>
<tr>
<td>Family</td>
<td>$1,560.00</td>
<td>$1,460.00</td>
<td>$100.00</td>
</tr>
</tbody>
</table>

This letter is also notice of the 2020 open enrollment opportunity from November 4 through November 22, 2019. Open Enrollment is the period when eligible employees may enroll, terminate or change their benefit elections. Employees who work an average of 25 hours per week or more during a school year or calendar year are eligible for insurance under our plan and must be offered insurance in accordance with the Plan document.

*Please clearly explain to employees that the rate charged to the institution is not the amount charged to the employee. The affordability provision is now 9.78% of the employee’s gross annual wage, which is a change from the previous 9.86% formula. Please contact me if you need assistance calculating employee cost shares.*

If your institution applies the affordability formula to determine cost sharing to any one employee, the cost sharing rate must remain a fixed monthly rate.

In most cases, the required premiums/contributions are deducted on a pre-tax basis.
according to Section 125 of the Internal Revenue Code. Elections made under Section 125 rules remain in effect for the entire plan year.

All eligible employees not already enrolled in the Diocesan Healthcare coverage must complete the enclosed form to enroll in or to waive the Diocesan Healthcare coverage. Current participants do not need to reapply for coverage.

The waiver of healthcare benefits form must include the following:

- Employee full name
- Employer and Occupation
- Date of hire
- Selection to enroll or waive benefits
- Employee signature and date in the Authorization box on the bottom of the form

Also enclosed please find:

Summary of Benefits and Coverage (SBC)
Premium rate sheet
Summary of medical benefits
Summary of dental benefits

Open enrollment for the 2020 plan year ends at 5:00 p.m. on November 22, 2019. Please submit all enrollments and waivers to the Chancery by November 25, 2019.

Any questions regarding the Diocesan Healthcare Program should be directed to Marsha Bartek at 402-904-8052 or marsha-bartek@lincolndiocese.org.

Sincerely,

Marsha Bartek

Enclosures