

Your **2014** Benefits
Buyer's Guide

Nonrepresented Employees



It's that time of year again—your once-a-year opportunity to carefully review the health benefits offered by PacifiCorp.

The guide summarizes key plan features, asks questions to help you think through the issues, offers advice as you review your choices, and helps you determine a good balance between your paycheck contributions and your out-of-pocket costs.

Enrolling for 2014

Your enrollment period is
November 4 – 15, 2013

You can enroll or make changes to your choices anytime during this period. Your choices on file on November 15, 2013 at midnight, Pacific time, will be final.

When open enrollment begins, you can find details about the health plan options and see your premiums for all the plans in the Health Plan Decision Toolkit at www.pacificorphealthtools.com (and on the company intranet).

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You must *enroll online* from your work location. You will not be able to make your 2014 benefit elections from your home computer. See the enclosed insert for more information about how to enroll online.

Compare Your Choices

The medical plans available to you include:

- **Definity CDHP with Health Savings Account (HSA)**
- **HDHP**—a new option for 2014, it's identical to the CDHP, with two exceptions: It doesn't have an HSA, and its premium contributions are lower.
- **Kaiser Permanente Health Maintenance Organization (HMO)**—available only to employees hired before 1/1/2008 who live in certain parts of Oregon and southwest Washington. *See Benefits Online! or your personalized worksheet to see if the HMO is available to you.*

Use These Tools to Comparison Shop

Before you enroll, visit the online Health Plan Decision Toolkit, available on the PacifiCorp intranet at **HR Center > Your Benefits > Benefits Changes and Enrollment > 2014 Open Enrollment Materials > Health Plan Decision Toolkit** or on the Internet at **www.pacificorhealthtools.com**. The toolkit features easy-to-use tools that can help minimize the dollars you spend on health care, while maximizing the value of the dollars you do spend.

- The **Medical Expense Estimator** will show your annual premiums and estimate your total annual out-of-pocket costs for each medical plan option you want to compare.
- The **Health Plan Comparison Chart** shows side-by-side comparisons of the medical, dental, and vision plan options for which you are eligible.
- The **HSA Contribution Estimator** estimates how much you should contribute to your Health Savings Account (if you enroll in the CDHP with HSA medical plan), based on how you'd like to use the contributions to your account.
- The **HSA Value Modeler** lets you see how the money PacifiCorp gives you and the pretax money you save in the Health Savings Account (HSA) can grow at a faster rate than the same amount saved in a traditional savings account.

- The **Health Care FSA Estimator** makes it easy for you to see how much to set aside in the Health Care FSA—and how much you can save in federal income taxes, based on the amount you contribute.

You can also view how the dental plans compare, the vision plan's coverage, and life insurance coverage options and rates.

Detailed listings of covered services and costs (deductibles, coinsurance, copays, and out-of-pocket maximums) can be found in the Health Plan Decision Toolkit at www.pacificorhealthtools.com or on the company intranet at **HR Center > Your Benefits > Benefits Changes and Enrollment > 2014 Open Enrollment Materials > Health Plan Decision Toolkit**.

How Many Wellness Dollars Did You Earn This Year?

Nonrepresented employees enrolled in a PacifiCorp medical plan can earn up to \$400 in wellness dollars by completing certain health-promoting activities during 2013. For 2014, if you enroll in the:

- **Definity CDHP**, the money you earned in 2013 will be deposited into your HSA in January 2014.
- **HDHP or Kaiser Permanente HMO**, you'll receive a one-time cash payment in your January paycheck.

To see how much you earned this year, log on to the Accountable Health (formerly "Principal Wellness Company") website at **www.mehcwellness.com**.

Definity CDHP With Health Savings Account (HSA)

The Definity Consumer-Driven Health Plan (CDHP) with HSA is a two-part plan that combines a high-deductible medical and prescription drug plan with a tax-free Health Savings Account, which offers some distinct advantages for paying your share of medical and prescription drug expenses each year—while saving for your future health care needs.

How much should I contribute?

Use the HSA Contribution Estimator at www.pacificorhealthtools.com to get a recommended HSA contribution amount.



Part 1 | High-Deductible Medical Plan With Prescription Drug Plan

The Definity CDHP provides a comprehensive high-deductible medical plan. You must first meet your deductible before the plan pays medical and prescription drug benefits. Preventive care is covered at 100% and there is no deductible.

For all services other than preventive care, once you meet your deductible (using your HSA money and/or your own money), the plan pays a percentage of most of your medical expenses when you see a UnitedHealthcare (UHC) network provider. This includes doctor's office visits, hospitalization, surgery, emergency room care, urgent care, and X-ray and lab fees. The percentage the plan pays is called coinsurance.

You can use the money in your HSA to pay all or a portion of your deductible and other out-of-pocket expenses. For more information, see "Part 2" on pages 3–6.

If your expenses are high enough to reach the plan's out-of-pocket maximum, the plan pays 100% of any additional eligible in-network expenses for the remainder of the plan year. Out-of-network expenses are subject to reasonable and customary (R&C) limits. Charges above R&C do not apply to the annual deductible or out-of-pocket maximum. For details, see the Health Plan Comparison Chart in the Health Plan Decision Toolkit at www.pacificorhealthtools.com or on the company intranet (HR Center > Your Benefits > Benefits Changes and Enrollment > 2014 Open Enrollment Materials > Health Plan Decision Toolkit).

Part 2 | The Health Savings Account (HSA)

The Health Savings Account is administered by Optum Bank, an affiliate of UnitedHealthcare, and is an FDIC-insured financial institution focused solely on health care banking.

You must open an account with Optum Bank. Once you do, you can make your own pretax contributions to your account and receive PacifiCorp's contribution.* Here's how it works:

Your Contributions

The IRS has increased the limit on HSA contributions for 2014. You can make a total contribution (including your own and PacifiCorp's, as well as wellness dollars) of \$3,300 for individual coverage and \$6,550 for family coverage. If you are or will be age 55 or older in 2014, you can contribute up to an additional \$1,000 over and above these amounts.

If you want to contribute starting with your first pay period in 2014, you must enroll during open enrollment and indicate an annual HSA contribution amount. While the money in your account carries over each year, your contribution election does not. Your contributions are deducted from your paycheck in equal amounts throughout the year. You can also elect to make a one-time lump-sum contribution to your account. You can stop, start, or change your own contributions at any time by submitting an HSA Contribution Change form, available on the PacifiCorp intranet at **HR Center > Your Benefits > Benefit Forms > Benefit Enrollment/Change Forms > Health Savings Account Payroll Contribution Election Form.**

Note: If you're currently enrolled in the Definity CDHP (and you stay enrolled in the plan for 2014) and have already opened your HSA, you must re-elect your annual contribution amount for 2014.

**Except for California, Alabama, and New Jersey, all states have conformed to the federal Internal Revenue Code for HSA purposes. If you live in these states, employer and employee contributions will be included in state taxable wages.*

Benefits of an HSA

An HSA offers tax savings in three ways:

1. Your contributions are pretax, up to certain IRS limits.
2. Your savings grow tax-free.
3. Any money you take out to pay for qualified medical expenses is tax-free.

The money in your HSA is always yours.

Unlike a Health Care FSA, there is no "use it or lose it" rule. You are fully vested in the money in your HSA, and the money stays there until you use it. Your account is portable, too, meaning your money stays put even if you leave PacifiCorp, change your medical coverage, or move.

With an HSA, you are in charge. You decide:

- How much you will contribute each year to your account, up to the allowable IRS limit.
- When you want to use your savings to pay for, or be reimbursed for, qualified medical expenses.
- Whether or not to invest some of your savings in mutual funds for greater potential long-term growth.



PacifiCorp's Contributions

Once you open your HSA, **PacifiCorp will contribute \$400 for individual coverage or \$900 for family coverage.** Additional funds earned through the wellness program will be added. Once the money goes into your HSA, you own it and you decide how to use it. Even if you change jobs or retire, the money in your account is always yours.

Using the HSA to Pay for Services

Saving money on taxes and having the ability to grow your account over time are huge advantages of the HSA. But what happens when you need to use money from your account to pay for medical care? That's when you'll notice another big advantage—convenience. When you want to use your HSA funds to pay eligible expenses, you have these options:

- Use the Health Savings Account MasterCard debit card that you'll receive when you open your HSA with Optum Bank. **Note:** Your HSA debit card will allow you to purchase both eligible and ineligible over-the-counter medications and supplies, but ineligible items you buy using HSA funds are subject to income taxes and a tax penalty.
- Use Optum Bank's online bill payment feature at **www.optumbank.com** to make payments from your HSA.
- Use checks directly linked to your savings account. Checks can be purchased from Optum Bank when you enroll. Remember, the HSA works like a regular checking account, including overdraft fees if you write a check but don't have enough funds in your account.
- Pay for the expenses from your own pocket and then reimburse yourself by withdrawing the money from your HSA.

Rules and Restrictions

The IRS imposes certain rules and restrictions on plans like the Definity CDHP, which you should be aware of.

- You cannot be covered as a dependent in another medical plan (such as through your spouse's employer) unless that plan also has a high deductible (\$1,250 or more).
- Neither you nor your spouse can participate in a Health Care Flexible Spending Account (FSA). If you are currently enrolled in a Health Care FSA, your balance must be \$0 on December 31, 2013.
- You cannot be claimed as a dependent on someone else's tax return.
- You cannot be covered by Medicare or TRICARE.
- Although you can cover dependents up to age 26 under the medical plan, your HSA can be used only to reimburse expenses incurred by dependents who qualify as dependents under IRS tax rules.
- The tax penalty for using HSA funds for non-health care expenses is 20%—in addition to regular income tax on any nonqualified withdrawals.

See page 18 for frequently asked questions about the Health Savings Account.

Debit Card Dos and Don'ts

Do use your debit card at the pharmacy

You can use your debit card to cover your deductible or pay your coinsurance amount. The funds will automatically be deducted from your HSA.

Don't use your debit card at the doctor's, dentist's, or vision care provider's office

Unless required by your provider, **don't pay at the time of service.** When you use network providers, your provider will submit a claim to UHC for payment. You'll then receive an Explanation of Benefits (EOB) statement from UHC and a separate bill from your provider indicating the amount you owe. If you use a VSP doctor (vision), the amount you owe will be after VSP has paid its share of the cost of the covered service. If your provider accepts MasterCard, you can use your debit card to pay the amount you owe. Or, you can pay the bill using the Optum Bank checks or online bill payment feature.

Correcting an Ineligible Claim

If you use your HSA card to pay for a nonqualified expense, the amount of the expense is considered taxable income and is subject to an additional 20% tax penalty.

Ineligible expenses include:

- Medical expenses that are not considered “qualified” under federal law, such as elective cosmetic surgery
- Other types of health insurance
- Medicare supplement premiums
- Expenses that are not medical- or health-related

To redeposit funds that have been used in error for a nonqualified expense, complete a withdrawal correction form, available at www.optumbank.com.



Don't Miss Out on Free Money From PacifiCorp: Open Your HSA

Current HSA Participants

If you've already opened your HSA, you do not have to reopen it. However, **if you want to make your own contributions to the HSA for 2014, you'll need to make a contribution election.** Your election doesn't carry over from one year to the next.

First-Time HSA Participants

If you're enrolling in the CDHP with HSA for the first time, **you must open a Health Savings Account with Optum Bank by December 13, 2013 to get PacifiCorp's contributions and to make your own.** This will ensure that you receive PacifiCorp's HSA contribution in January so you can begin using the account right away. The HSA is a personal savings account (like a checking account). You own 100% of all contributions. Because it's a personal account, federal law requires that you provide the following information (which is protected by government privacy rules that apply to all banking institutions):

- Your Social Security number
- A valid email address
- Your Optum Bank group number (PacifiCorp employees enter "713085"; Energy West employees enter "713085EW"; Bridger Coal Company employees enter "713085BC")
- Primary identification, such as a driver's license, passport, or government-issued ID

Without this information, your account cannot be opened, and neither you nor PacifiCorp can contribute to it.

If you want to add an additional cardholder to your account, you will need to provide that individual's name, Social Security number, and date of birth. Optum Bank randomly audits new accounts and may ask you to fax

Note: If you're enrolling in the Definity CDHP for the first time, you need to open your Health Savings Account (HSA) with Optum Bank by **December 13, 2013.**

If you request an Optum HSA card for your spouse, you'll need to provide his or her Social Security number.

them a copy of your Social Security card, driver's license, and possibly a utility bill (if you have a P.O. box). Until Optum Bank receives the requested information, your account will not be set up and you will not receive the company HSA contribution.

When you've gathered the necessary information, go to the PacifiCorp intranet and click **HR Center > Your Benefits > Benefits Changes and Enrollment > Optum Bank** and follow the instructions specific to your group (PacifiCorp, Energy West, or Bridger Coal Company) to open your account. The process should take 10 minutes or less.

You will be asked which type of interest-bearing savings account you would like. One option provides a minimal rate of return and is offered at no cost to you. The second option offers a higher rate of return in exchange for a \$5.00 monthly fee. (PacifiCorp pays \$3.00; you pay \$2.00.)

After you open your account, Optum Bank will send you a welcome kit with information about your account. Your welcome kit will contain information about using your HSA, including:

- Your HSA bank account number
- Instructions for setting up your online account and accessing your account by phone
- Frequently asked questions
- Legal disclosures

For security reasons, your HSA debit card and PIN will not be part of your welcome kit, and each will be mailed separately.



CDHP With HSA Medical Plan Participants: Your HSA Contribution

You can make or change your contribution election anytime during the year by submitting a Health Savings Account Payroll Election Contribution form, available on the PacifiCorp intranet. Your contributions will begin with the next payroll cycle after Employee Benefits receives your form. The amount you elect to contribute will be deducted evenly from each paycheck throughout the year.

HSA Enrollment Changes During the Year

Enrolling Midyear

If you enroll in the Definity CDHP before December 1, 2014, you can make the entire year's tax-free contribution to your HSA. You'll need to continue to participate in the CDHP for the rest of the year and all of 2015. During this period, you cannot have other health care coverage that would make you ineligible to contribute to the HSA, such as Medicare or TRICARE.

If You Become Eligible for Medicare or TRICARE and Enroll Midyear

It is your responsibility to contact your tax advisor to determine the tax implications of your HSA contributions.

Prorated Contributions

If a job change or other life event causes you to end your coverage in the Definity CDHP, you would need to calculate a prorated contribution amount based on your actual months of coverage. If your contributions exceed that amount, you can apply to have excess contributions returned to you by using a withdrawal/distribution request form available at www.optumbank.com.

For example:

- PacifiCorp's plan year is January 1 to December 31 (12 months).
- You remain in the Definity CDHP for your family for six months (January through June).
- The IRS maximum contribution limit for family coverage for the year is \$6,250.

- Your maximum contribution would be \$3,125.
[\$6,250 ÷ 12 = \$520.83 (maximum monthly contribution);
\$520.83 x 6 = \$3,125]

If you are 55 or older, any catch-up contributions you make must also be prorated using the same formula.

Designating a Beneficiary

When you set up an HSA, it is important that you choose a beneficiary to ensure that your HSA money is immediately available to your beneficiary upon your death. You can choose more than one beneficiary and the portion of your account that would go to each.

If You Don't Select a Beneficiary

If you do not specify a beneficiary and you're married, your HSA will go to your spouse. If you're not married at the time of your death, the money in your HSA will go to your estate and may be considered taxable.

How to Designate a Beneficiary

Log in to your account at www.optumbank.com, select **Forms and Information**, then fill out and submit the beneficiary designation form. You can also download the form and follow the instructions to mail it in.

Investment Opportunities*

Once the money in your HSA reaches \$1,000, you can choose to set up a separate investment account to invest a portion of your savings in mutual funds, according to these guidelines:

- You must keep at least \$1,000 in your HSA deposit account at the time of a transfer.
- Funds must be invested in increments of \$100 or more.
- You can make trades online or by phone.
- You can see mutual fund investments available to you and view your investment account balances and transactions at www.optumbank.com.
- A monthly investment fee may apply.

**Investments are not FDIC-insured, are not guaranteed by Optum Bank, and may lose value.*

For details about the medical plans, see the Health Plan Comparison Chart in the Health Plan Decision Toolkit at www.pacificorhealthtools.com or on the company intranet at **HR Center > Your Benefits > Benefits Changes and Enrollment > 2014 Open Enrollment Materials > Health Plan Decision Toolkit.**



HDHP

This high-deductible medical plan is identical to the Definity CDHP, except that it does not include a Health Savings Account, and the premiums are lower. If you are an active employee receiving a paycheck, you can enroll in the Health Care FSA. While this plan is available to all nonrepresented employees, those employees eligible for Medicare or on long-term disability will automatically be enrolled in the HDHP (unless you were hired before 1/1/2008 and have Kaiser).

Kaiser Permanente HMO (available only to nonrepresented employees hired before 1/1/2008 who live in certain parts of Oregon and southwest Washington)

A managed care approach to providing health care, with coverage provided only when you use Kaiser doctors, hospitals, and other facilities. You choose a primary care physician (PCP) who will coordinate all your routine care, including referrals to specialists as necessary. You pay a set copay for most services, and there are no deductibles. Preventive care from Kaiser providers is covered at 100%. If you're enrolling in Kaiser for the first time, call Employee Benefits at **1-800-455-6363** for an information packet and an enrollment application.

Prescription Specialty Drug Step Therapy Program

If your doctor prescribes a specialty/biotech medication, Caremark will need to review the prescription for clinical appropriateness. These may include medications for rheumatoid arthritis, multiple sclerosis, HIV, and hepatitis B, as well as transplant medications. In addition, you will be required to use a preferred medication before you can fill a nonpreferred medication (unless the preferred medication is not deemed appropriate). For more information, you or your physician can contact Caremark at **1-800-386-0324** or visit www.caremark.com.

If you choose no medical coverage, you will receive a credit of \$75 in each paycheck as taxable pay.

Prescription Drug Plan

Except for the Kaiser Permanente HMO, prescription drug coverage is provided through CVS Caremark and comes with your medical plan. See the Health Plan Comparison Chart in the Health Plan Decision Toolkit at www.pacificorphealthtools.com or on the company intranet (**HR Center > Your Benefits > Benefits Changes and Enrollment > 2014 Open Enrollment Materials > Health Plan Decision Toolkit**) for coverage information, including prescription drug copay and coinsurance amounts under each of the medical plans. You can buy prescription drugs through a participating retail CVS Caremark pharmacy or through the CVS Caremark mail-order pharmacy. Kaiser provides prescription drugs through its pharmacies and mail-order services. Only medications covered by the prescription drug administrator (CVS Caremark/Kaiser) are covered under the plan.

The CVS Caremark prescription drug plan includes a mandatory generic feature. If a generic equivalent exists, all prescriptions for brand-name drugs will automatically be filled with the brand-name drug's generic equivalent. You can choose to fill the prescription with the brand-name drug as prescribed, but you will pay the generic copay plus the cost difference between the generic drug and the brand-name drug.

The prescription drug plan does not offer coordination of benefits. If you have prescription drug coverage through another plan (such as through a spouse's or domestic partner's medical plan) and that plan pays a portion of the cost of a prescription drug, you cannot submit the balance to the PacifiCorp plan for reimbursement.

Money-Saving Tips

Here are some tips for saving money on new prescriptions:

- **Request generic drugs.** Talk with your doctor about all the known side effects of the medication he or she is prescribing. And ask if a generic drug is available to treat your condition.
- **Save money. Save time.** Use the mail-order pharmacy. For maintenance medications you take regularly (such as for asthma or high blood pressure), use the mail-order pharmacy. You'll pay less for each 90-day supply, and your medication will be delivered right to your door. Mail-order forms are available at www.caremark.com.
- **Take a test drive.** When getting a prescription for a new maintenance medication, ask your doctor for one prescription for a 30-day supply and a separate prescription for a 90-day supply. Fill the prescription for the 30-day supply. If the medication is working as expected, send the prescription for the 90-day supply to the CVS Caremark mail-order pharmacy. Mail-order forms are available at www.caremark.com. Allow up to 14 days for the new prescription to be filled.

CVS Caremark also has a Specialty Prescription Drug Program designed to provide comprehensive medical needs for self-injectable medications.

Prescription Drug Costs: An Example

It's important to review and understand your costs for prescription drugs in the HDHP or CDHP with HSA plan. Instead of paying a flat copay for your prescriptions, you'll pay the full cost until you reach the plan's annual deductible. After you've met the deductible, you'll pay a percentage—or coinsurance—of the cost of the drug.

For example, if you take Nexium, you'll pay the full cost of \$226 for a 30-day supply of the drug at a retail pharmacy. You'll continue to pay the full cost of \$226 per 30-day supply until your eligible medical expenses meet the plan's annual deductible. (If you have money in an HSA, you can reimburse yourself.)

Once you've met the deductible, you'll pay 20% of the cost of generic drugs, 30% for formulary brand drugs, and 40% for nonformulary brand drugs.

Wellness Benefits

Disease Management Program

With the transition of our disease management services from Alere to UnitedHealthcare (UHC) in 2014, you will have several enhanced features and services. Help and support are available if you have an ongoing medical condition such as asthma, coronary artery disease, chronic obstructive pulmonary disease, diabetes, or congestive heart failure. The UnitedHealthcare disease management program can help you learn how to effectively manage your condition and limit disease progression. For example, UHC can provide guidance on what you need to be asking your doctor. Participants gain a better understanding of their condition, its implications, and risk factors, as well as how to maintain a healthy lifestyle, adhere to physician treatment plans and medications, and manage additional conditions.

Enhanced Cancer Support

UHC also offers enhanced cancer support programs to help manage the cost associated with cancer treatment and promotes evidence-based care. A **cancer advocate nurse** provides one contact to help cancer patients make informed decisions about cancer care. Supported by a team of cancer experts, this dedicated nurse handles cancer case management for the patient and works to help the patient remain productive while focusing on getting healthy and staying healthy.

UHC's **Cancer Centers of Excellence (COE)** is a network of cancer centers across the country that provide high-quality, appropriate, and cost-effective care for cancer patients. These centers are reviewed annually to help ensure they continue to meet UHC's quality standards. They can provide:

- More consistently accurate diagnoses
- A multidisciplinary team of experts to provide and manage the patient's specific kind of cancer
- Appropriate therapy, fewer complications, and higher survival rates
- Shorter hospital stays and reduced costs

Enhanced Maternity Support

UHC's maternity support offers the following so that patients can stay healthy during pregnancy and identify risk factors early to minimize complications.

- Dedicated maternity nurses provide assistance, guidance, answers, and education.
- Pregnancy consultations by phone focus on wellness and screen for health risks.
- Support for special health care needs includes nurses experienced in high-risk pregnancies and preterm births who provide specialized support services throughout the pregnancy.
- Customized maternity education materials cover a wide range of topics, including nutrition, prenatal care, exercise, premature labor, and more.

Watch for more information about the UHC disease management program, available in late December on the UHC website at www.myuhc.com.

Tobacco Cessation

If you're ready to quit, the PacifiCorp health plans can help. Tobacco cessation services, such as doctor's office visits, are covered under the medical plans. Prescription drugs are covered under the prescription drug plan. Over-the-counter drugs, such as nicotine gum and patches, can be reimbursed (up to certain limits) through the prescription drug plan, the Health Care Flexible Spending Account, or the Health Savings Account if you have a doctor's prescription. All applicable medical and prescription drug plan deductibles and copays apply.

Coming in 2014

PacifiCorp will offer wellness dollars for spouses. More information will be provided later this year.

Employee Assistance Program

You and your covered family members are eligible for up to eight free, confidential counseling visits each year through our Employee Assistance Program (EAP).

Services include:

- Life improvement
- Emotional well-being
- Alcohol and drug abuse/dependence
- Relationship difficulties
- Legal referrals
- Anxiety issues
- Grief and loss

For confidential help, call United Behavioral Health at **1-800-788-5614**.

Changing Your Choices

In general, after the open enrollment period ends, you cannot make a change to your coverage unless you have a qualified status change, such as you get married or divorced or you have a baby or adopt a child.

To make a change due to a qualified status change, notify Employee Benefits by submitting a Flexible Benefits Change form within 31 days of the date of the event. Coverage is effective on the first of the month following receipt of your form. For birth, adoption, or placement for adoption, if you submit the request within 31 days after the event, coverage will be effective the date of the event.



Flexible Spending Accounts (FSAs)

By participating in an FSA, you can save tax dollars on your family's health care and dependent care expenses.

The FSAs let you reduce your taxable income by contributing up to \$2,500 for health care expenses and up to \$5,000 for dependent care expenses. Your FSA contributions are then reimbursed to you for expenses you incur during the calendar year.

You'll need to use the funds in your 2013 Health Care FSA only for expenses incurred during this calendar year. You will not be able to use your 2013 funds to reimburse yourself for expenses you incur in the first quarter of 2014; the grace period no longer applies. This means that the money in your account as of December 31, 2013 can be used only to reimburse yourself for expenses you incur

If you enroll in the CDHP, you cannot enroll in the Health Care FSA for 2014. You'll use your HSA for health care expenses.

on or before that date. You still have until March 15, 2014 to submit 2013 claims for reimbursement.

The FSAs are "use it or lose it" plans, so carefully estimate your contributions. If you want to participate in an FSA, you must re-enroll and elect your contribution amounts every year.

There are two FSAs—the Health Care FSA and the Dependent Care FSA:

Health Care FSA (Not available if you enroll in the Definity CDHP)	Dependent Care FSA
<ul style="list-style-type: none">■ Reduce your taxable income.■ Reimburse yourself for noncovered medical, dental, and vision expenses.■ Eligible expenses include copays, deductibles, coinsurance percentages, and over-the-counter medications with a doctor's prescription.■ Use the Health Care FSA Estimator at www.pacificorphealthtools.com to estimate your eligible expenses and see how much you can save.	<ul style="list-style-type: none">■ Reduce your taxable income.■ Reimburse yourself for care for your child, elderly, or handicapped dependents so you (and your spouse, if you're married) can work.■ IRS-allowed dependent care expenses include summer day camp, before- and after-school care, day care, preschool, and elder/dependent care.

Who Qualifies as an Eligible Dependent for the Dependent Care FSA?

- Children under age 13
- Children over age 13 who are physically or mentally unable to care for themselves
- A spouse or elderly parent residing in your home who is physically or mentally unable to care for himself or herself

Your Dependent's Health Care Expenses

Your dependent's health care expenses are eligible for reimbursement under the Health Care FSA. You cannot use the Dependent Care FSA for your dependent's health care expenses.

How much should I contribute?

Use the Health Care FSA Estimator at www.pacificorphealthtools.com to get a recommended Health Care FSA contribution amount.

Remember, if you enroll in the Definity CDHP, you cannot enroll in the Health Care FSA for 2014; any 2013 Health Care FSA balance must be \$0 by December 31, 2013. Also, your spouse must not participate in a Health Care FSA—even through a different employer.

PacifiCorp offers two dental plan options.

Both dental plan options are administered by MetLife.

- **Option 1** covers orthodontics up to age 19 and has a higher annual maximum benefit.
- **Option 2** does **not** cover orthodontics and has a lower annual maximum benefit.

The MetLife national provider network is being expanded for 2014 to give you more options. Network providers generally charge less for their services, which saves you money.

	Option 1	Option 2
Annual Deductible	\$50 for each covered person	\$50 for each covered person
Annual Benefit Maximum (excluding orthodontics)	\$1,500 per person	\$1,000 per person
Diagnostic and Preventive Benefits	100%* (deductible does not apply)	100%* (deductible does not apply)
Therapeutic and Restorative Services and Supplies (fillings, extractions, root canals)	80%* after deductible	80%* after deductible
Major and Prosthodontic Services and Supplies (crowns, inlays, onlays, dentures)	50%* after deductible	50%* after deductible
Oral Surgery	80%* after deductible (annual benefit maximum does not apply)	80%* after deductible (annual benefit maximum does not apply)
Temporomandibular Joint (TMJ) Treatment	Not covered	Not covered
Orthodontics	Up to age 19; 50%* after deductible; \$1,500-per-person lifetime benefit maximum	Not covered

*Services performed by non-network providers are subject to reasonable and customary (R&C) charges.

Per-Pay-Period Contributions

	You Only			You + Spouse			You + Child(ren)			You + Spouse + Child(ren)		
	Total Cost	Your Cost		Total Cost	Your Cost		Total Cost	Your Cost		Total Cost	Your Cost	
		Full-Time	Part-Time		Full-Time	Part-Time		Full-Time	Part-Time		Full-Time	Part-Time
No Coverage	—	(\$2.50)	(\$1.50)	—	(\$2.50)	(\$1.50)	—	(\$2.50)	(\$1.50)	—	(\$2.50)	(\$1.50)
Option 1	\$25.50	\$10.00	\$20.00	\$53.50	\$21.50	\$43.00	\$46.50	\$18.50	\$37.00	\$79.50	\$32.00	\$64.00
Option 2	\$20.00	\$8.00	\$16.00	\$39.50	\$16.00	\$32.00	\$35.00	\$14.00	\$28.00	\$60.50	\$24.00	\$48.00

PacifiCorp offers vision care coverage through VSP.

Annual Deductible/ Annual Benefit Maximum	None
Routine Eye Exam (once per calendar year)	<i>VSP preferred provider:</i> 100% after \$10 copay <i>Non-VSP provider:</i> Plan pays up to \$45 after \$10 copay <i>Optional diabetic screening:</i> Additional \$20 copay
Diabetic Eyecare Plus Program (medical eye care related to type 1 and type 2 diabetes)	<i>VSP preferred provider:</i> 100% after \$20 copay Learn more about coverage at www.vsp.com or ask your VSP provider for details.
Prescription Glasses (Frame and Lenses) (lenses once per calendar year, frame every other calendar year)	<i>VSP preferred provider:</i> After \$25 copay: <ul style="list-style-type: none"> ■ Frame of your choice covered up to \$130 once every two years, plus 20% off any out-of-pocket costs after \$25 copay (applies to lenses and a frame) ■ Single vision, lined bifocal, and lined trifocal lenses, as well as polycarbonate lenses for dependent children, are covered in full <i>Non-VSP provider:</i> After \$25 copay, plan pays: <ul style="list-style-type: none"> ■ Frame: \$47 ■ Single vision: \$45 ■ Lined bifocal: \$65 ■ Lined trifocal: \$85
Contacts (once per calendar year in lieu of frame and lenses)	<i>VSP preferred provider:</i> Plan pays up to \$155 and provides a 15% discount off the cost of contact lens exams (fitting and evaluation) <i>Non-VSP provider:</i> Plan pays up to \$155 Learn more from your provider or visit www.vsp.com .

Extra Discounts and Savings

When visiting a VSP preferred provider, you'll receive:

- Average 35%–40% savings on all noncovered lens options, such as progressives and scratch-resistant and antireflective coatings. You pay only the added cost of these optional enhancements.
- The plan covers the cost for basic lenses (as described above).
- 30% off additional glasses and sunglasses, including lens options, purchased from the same VSP provider who provided your eye exam, if ordered on the same day as your eye exam. Or, get 20% off prescription glasses and sunglasses from any VSP provider, if ordered within 12 months of your last eye exam.
- Guaranteed pricing on retinal screening as an enhancement to your well-vision exam.
- Laser vision correction discounts. At discounted facilities, get an average of 15% off the regular price or 5% off the promotional price. After surgery, use your frame allowance (if eligible) for sunglasses from any VSP provider.

Per-Pay-Period Contributions

	You Only			You + Spouse			You + Child(ren)			You + Spouse + Child(ren)		
	Total Cost	Your Cost		Total Cost	Your Cost		Total Cost	Your Cost		Total Cost	Your Cost	
		Full-Time	Part-Time		Full-Time	Part-Time		Full-Time	Part-Time		Full-Time	Part-Time
No Coverage	—	\$0	\$0	—	\$0	\$0	—	\$0	\$0	—	\$0	\$0
VSP	\$4.06	\$2.03	\$4.06	\$6.22	\$3.11	\$6.22	\$6.34	\$3.17	\$6.34	\$10.22	\$5.11	\$10.22

Life and Accident Insurance

Insurance Plans		Your Monthly Premium per \$1,000 of Coverage																		
Employee Life Insurance	At no cost to you, you receive basic employee life insurance coverage equal to one times your annual base pay, rounded up to the next highest \$1,000. The maximum coverage amount under this benefit is \$750,000. This is a term life policy and has no cash value.	None																		
Supplemental Employee Life Insurance	You can purchase supplemental employee life insurance of one to five times your annual base pay. The cost of this coverage is based on your age. If you are enrolling for the first time, or if you increase your coverage amount by more than one times your annual base pay, evidence of insurability is required.*	Age-Based Rates																		
		<table border="0"> <tr> <td><30</td> <td>\$0.068</td> <td>50-54</td> <td>\$0.262</td> </tr> <tr> <td>30-34</td> <td>\$0.091</td> <td>55-59</td> <td>\$0.489</td> </tr> <tr> <td>35-39</td> <td>\$0.102</td> <td>60-64</td> <td>\$0.751</td> </tr> <tr> <td>40-44</td> <td>\$0.114</td> <td>65-69</td> <td>\$1.445</td> </tr> <tr> <td>45-49</td> <td>\$0.171</td> <td>70-80</td> <td>\$2.344</td> </tr> </table>	<30	\$0.068	50-54	\$0.262	30-34	\$0.091	55-59	\$0.489	35-39	\$0.102	60-64	\$0.751	40-44	\$0.114	65-69	\$1.445	45-49	\$0.171
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45-49	\$0.171	70-80	\$2.344																	
Spouse Life Insurance	You can purchase spouse life insurance of \$10,000, one times your annual base pay, or two times your annual base pay. If you select more than \$10,000 of coverage, or if you increase this coverage by more than \$10,000, evidence of insurability is required.* The cost of this coverage is based on your spouse's age.	Age-Based Rates																		
		<table border="0"> <tr> <td><30</td> <td>\$0.05</td> <td>50-54</td> <td>\$0.20</td> </tr> <tr> <td>30-34</td> <td>\$0.07</td> <td>55-59</td> <td>\$0.37</td> </tr> <tr> <td>35-39</td> <td>\$0.08</td> <td>60-64</td> <td>\$0.57</td> </tr> <tr> <td>40-44</td> <td>\$0.09</td> <td>65-69</td> <td>\$1.09</td> </tr> <tr> <td>45-49</td> <td>\$0.13</td> <td>70-80</td> <td>\$1.77</td> </tr> </table>	<30	\$0.05	50-54	\$0.20	30-34	\$0.07	55-59	\$0.37	35-39	\$0.08	60-64	\$0.57	40-44	\$0.09	65-69	\$1.09	45-49	\$0.13
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45-49	\$0.13	70-80	\$1.77																	
Child Life Insurance	If you purchase coverage, each dependent child up to age 19 (age 23 if a full-time student or on a church mission) is covered by a \$10,000 policy.	\$0.80 (for \$10,000 of coverage)																		
Accidental Death and Dismemberment (AD&D) Insurance	If you or your spouse dies due to an accident, your AD&D policy will pay a benefit in addition to your employee or spouse life insurance. If you or your spouse loses a limb due to an accident, certain dismemberment benefits are covered under this policy, and you will receive a benefit. You can purchase coverage for your spouse of \$10,000, one times your annual base pay, or two times your annual base pay.	\$0.02																		
Business Travel Accident (BTA) Insurance	At no cost to you, you are automatically covered by business travel accident insurance. If you die due to an accident while traveling on company business, this coverage pays a benefit to the beneficiary or beneficiaries you designate to receive your employee life insurance benefits.	None																		

*After open enrollment ends, Minnesota Life will send you the evidence of insurability form. You must complete the form and return it directly to Minnesota Life. When your coverage is approved, Minnesota Life will notify PacifiCorp, and PacifiCorp will change your benefit records.

Have you designated a beneficiary for all your insurance benefits?

You can designate beneficiaries by submitting beneficiary designation forms, available on the PacifiCorp intranet at [HR Center > Your Benefits > Benefit Forms > Beneficiary Forms](#).

Excess Life Insurance

If your employee basic and supplemental life insurance coverage is greater than \$50,000, you will pay tax on the value of the coverage over \$50,000. This is known as imputed income. You will see this taxable income on your paycheck stubs.

Education Assistance Reimbursement Program

Beginning in January, the Education Assistance Reimbursement Program will become available to all interested and eligible employees. The program will reimburse employees for preapproved courses when a B grade or higher is achieved. Funding for this program is limited, and reimbursement will be on a first-come-first-served basis. On November 18, 2013, the revised policy and related forms will be available on the HR policy page. For courses that begin in 2014, preapproval forms will not be accepted until December 16. Please send inquiries and supervisor-approved preapproval forms to the HR Service Center.

Print Your Confirmation Statement Online

When you're finished enrolling, print out a confirmation of your enrollment choices from *Benefits Online!* for your records. You can also view your enrollment choices at any time through the employee self-service screen on the PacifiCorp intranet. (You will not receive a printed confirmation statement after open enrollment closes, unless you are on a leave of absence during open enrollment or you are a mining employee.)



Eligible Dependents

You can enroll your spouse/same-sex domestic partner and children under age 19 in the same medical, dental, and vision options you choose for yourself. You can also enroll these dependents in optional spouse life and AD&D insurance and child life insurance. Coverage available to children over age 19 varies, depending on age and full-time student status, as shown in the chart below.

Your eligible dependents include:

- Your spouse or same-sex domestic partner
- Your biological and legally adopted children, your foster children, your stepchildren, and your grandchildren for whom you may have legal custody

Age/Student Status	Eligible for Coverage Under These Plans
Children under age 19. No requirement to be a full-time student.	Medical, dental, and vision plans and dependent life insurance
Adult children at least age 19 but under age 23 who are full-time students at an accredited school (or on a medically necessary leave of absence from full-time student status) or on a church mission.	Medical, dental, and vision plans and dependent life insurance
Adult children who are at least age 19 to age 23 who are not full-time students or on a church mission, and adult children age 23 to age 26.	Medical plan only
Adult children who are at least age 23 but under age 26 who are full-time students.	Medical plan only

If a covered dependent becomes ineligible during the year (for example, you get divorced, legally separated, or your child under age 23 is no longer a full-time student), you must notify Employee Benefits within 31 days. If you do not notify Employee Benefits within 31 days, federal law requires that your pretax contributions for that coverage continue until the end of the plan year. However, your dependent will not have coverage.

Enrolling people who aren't eligible makes coverage more expensive for everyone. Random audits will be conducted each year to verify the eligibility of enrolled dependents, and you may be asked to provide verification of your dependent's eligibility. If the requested documentation is not provided, your dependent will be dropped from coverage. Claims for ineligible dependents will not be paid.

Adding a New Dependent to Your Coverage

- To add a spouse for the first time, you will need to provide a copy of your marriage certificate and the front page of your most recent tax return.
- To add a dependent child age 19 to 23, you will need to provide a copy of his or her birth certificate and verification of full-time student status (to enroll your dependent in coverage other than medical).

To add these dependents for the first time, enroll online during open enrollment and submit required documentation to Employee Benefits within 31 days. You will need to enter a birth date and Social Security number for each dependent you enroll. Add your new dependents

before making your own elections. For a complete list of acceptable documentation and instructions for submitting your documentation, go to **HR Center > Your Benefits > Benefits Changes and Enrollment > Dependent Verification.**

- To add adult children ages 19 to 23 who are not full-time students, or to enroll children ages 23 to 26, enroll on *Benefits Online!* and mail a copy of your dependent's birth certificate to Employee Benefits. Your dependent's enrollment will be placed in pending status and he or she will not be covered until Employee Benefits receives your documentation.

If you are currently covering a dependent age 19–23 who is a student, you do not need to re-enroll him or her. However, if your covered dependent is no longer a student, go to *Benefits Online!* and unflag the student status on his or her record. Click through all the plans and then click **Finish.**

Frequently Asked Questions

Will I get a credit if I don't enroll in a medical, dental, or vision plan?

If you don't enroll in medical coverage, you will receive a \$75 credit in each paycheck as taxable pay. If you don't enroll in a dental plan, you will receive a \$2.50 credit in each paycheck as taxable pay. There is no credit if you choose no vision coverage.

Can I enroll from home?

No. Our *Benefits Online!* enrollment system is available only through the PacifiCorp intranet. You can, however, access the online Health Plan Decision Toolkit through the Internet at www.pacificorphealthtools.com.

How can I find a provider in my plan's network?

- UHC provider: www.myuhc.com
- Kaiser provider: www.kp.org

What happens if I want to change my coverage after I enroll?

During open enrollment, you can change your choices at any time by re-enrolling completely. The choices on file on November 15, 2013 at midnight, Pacific time, will be final. After open enrollment, you can add or drop dependents only if you have a qualified status change, such as you get married or have a baby.

Can I enroll my 24-year-old, full-time student in the same coverages I enroll in?

No. Adult children ages 23 to 26 are eligible only for medical coverage, regardless of their student or missionary status.

I enrolled in the CDHP, but I don't have any money in my HSA.

PacifiCorp's HSA contribution will be made in January 2014. However, you get PacifiCorp's HSA contribution only **after** you open your account with Optum Bank. Once you open your account, you can request reimbursement from Optum Bank if you paid for expenses out of your own pocket. (See page 6 for information about opening your account.) If you have already opened an account but have questions about your balance, call Optum Bank at 1-800-791-9361.

Note: PacifiCorp makes HSA contributions only for the current plan year. For example, if you enrolled in the CDHP for 2013 but you didn't open an HSA, you didn't receive an HSA contribution from PacifiCorp. If you enroll in the CDHP again for 2014 and you then open an HSA, you will receive the PacifiCorp contribution for 2014 only. You will not receive a retroactive contribution for 2013.

I tried to use my HSA debit card to pay an eligible expense, but the charge was declined. Why?

Once you've confirmed that the purchase is for an eligible expense, confirm that you have enough funds in your account to cover the expense. Just like a regular checking or savings account, if there are not enough funds in your account to cover a purchase, it will be declined.

For a list of eligible expenses and to check your account balance, go to www.optumbank.com.

Will UnitedHealthcare submit my claims directly to my HSA for reimbursement?

No. You are responsible for reimbursing yourself for expenses.

I'm enrolled in the CDHP and currently have contribution deductions from my paycheck. Do I have to make a new HSA contribution election for 2014?

Yes. You must enroll and make a new HSA contribution election if you want to contribute to the HSA next year.

Where can I learn more about the HSA?

For more details about the rules governing the HSA, you can download IRS Publication 969 at www.irs.gov.

Log on to www.optumbank.com for more information about the HSA and for answers to frequently asked questions.

Health Insurance Portability and Accountability Act of 1996 (HIPAA)

PacifiCorp medical plans are required by the Health Insurance Portability and Accountability Act of 1996 (HIPAA) Privacy Rule to maintain the privacy of your health information. The Notice of Privacy Practices for PacifiCorp Medical Plans is available in your Summary Plan Description. In addition, you can request a copy of the notice by calling Employee Benefits at **1-800-455-6363**. Be assured that PacifiCorp fully complies with this requirement.

You can access a current copy of the HIPAA notice on the company intranet at **HR Center > Your Benefits > HIPAA Privacy Act** tab. You can also find it at http://idoc.pacifcorp.us/your_benefits/hpa.html.

Changes for this year include:

- The Plan is prohibited from using or disclosing PHI which is genetic information for underwriting purposes.
- The Plan is required by law to maintain the privacy of your PHI, to provide you with notice of its legal duties and privacy with respect to PHI, and to notify you following a breach of unsecured PHI.
- Receipt of a written authorization from you is a pre-condition for most uses and disclosures of psychotherapy notes (when these notes are maintained by the health plan), uses and disclosures of PHI for marketing purposes and disclosures that constitute the sale of PHI.
- You have the right to request that your PHI not be disclosed to the Plan if the disclosure is for the purpose of carrying out payment or health care operations, is not required by law, and you have paid the provider in full. This request may not be denied.

Note: Because this reminder is required by law, you may receive separate reminders from other providers describing the availability of their HIPAA notice of privacy practices and how to obtain a copy.

You can access required notices at any time on the company intranet at **HR Center > Your Benefits > Important Notices**.

Government Notice

Federal law requires the following annual notice:

Health plans must cover breast reconstruction after a mastectomy. Coverage will be available in a manner determined in consultation between patient and physician for reconstruction of the breast on which the mastectomy was performed; for surgery and reconstruction of the other breast to produce a symmetrical appearance; and for prostheses and physical complications for all stages of mastectomy, including lymphedema. Such coverage is subject to all terms of the plan, including relevant deductibles and coinsurance provisions.

Summary Health Information

The health benefits available to you as an employee represent a significant component of your compensation package. They also provide important protection for you and your family in the case of illness or injury. Your plan offers a series of health coverage options. Choosing a health coverage option is an important decision. To help you make an informed choice, your plan makes available a Summary of Benefits and Coverage (SBC), which summarizes important information about any health coverage option in a standard format to help you compare across options.

The SBC will be available on the intranet beginning November 4 at **HR Center > Your Benefits > Benefits Changes and Enrollment > 2014 Open Enrollment Materials**. A paper copy is also available, free of charge, by calling PacifiCorp Employee Benefits at **1-800-455-6363**.

Summary Plan Description (SPD)

You also have access to the 2013 SPDs on the company intranet at **HR Center > Your Benefits > Summary Plan Descriptions**.

Your Benefits Contacts

If you have questions, the following resources can help answer them. For questions about covered benefits or claims, to find a provider, or to request a new ID card, your first stop should be the carriers. For questions about eligibility, or if you have trouble resolving an issue with a carrier, call Employee Benefits.

Medical

UnitedHealthcare (UHC)—
find a provider, claims status
1-800-355-2892
www.uhc.com
www.myuhc.com (if currently enrolled)

Kaiser Permanente
503-813-2000 (in Portland)
1-800-813-2000 (outside Portland)
www.kp.org

Prescription Drugs

Caremark, Inc.
1-800-386-0324
www.caremark.com

Dental

MetLife
1-800-942-0854
www.metlife.com/mybenefits

Vision

VSP
1-800-877-7195
www.vsp.com

Health Savings Account (HSA)

Optum Bank
1-800-791-9361
www.optumbank.com

Flexible Spending Accounts

UnitedHealthcare (UHC)
1-800-355-2892
www.myuhc.com

Optum NurseLine

1-888-638-0191
(code 143 for health topic library)

Disease Management

1-888-638-0191
(available late December)

EAP, Working Solutions, and Managed Mental Health (UHC plans)

United Behavioral Health (UBH)
1-800-788-5614
www.liveandworkwell.com
(access code 00767)

Property and Casualty Insurance

MetPay
1-800-438-6388
www.metlife.com/metpay

Long-Term Care Insurance

John Hancock
1-800-554-9969
<http://pacificorp.jhancock.com>
User name: pacificorp
Password: mybenefit

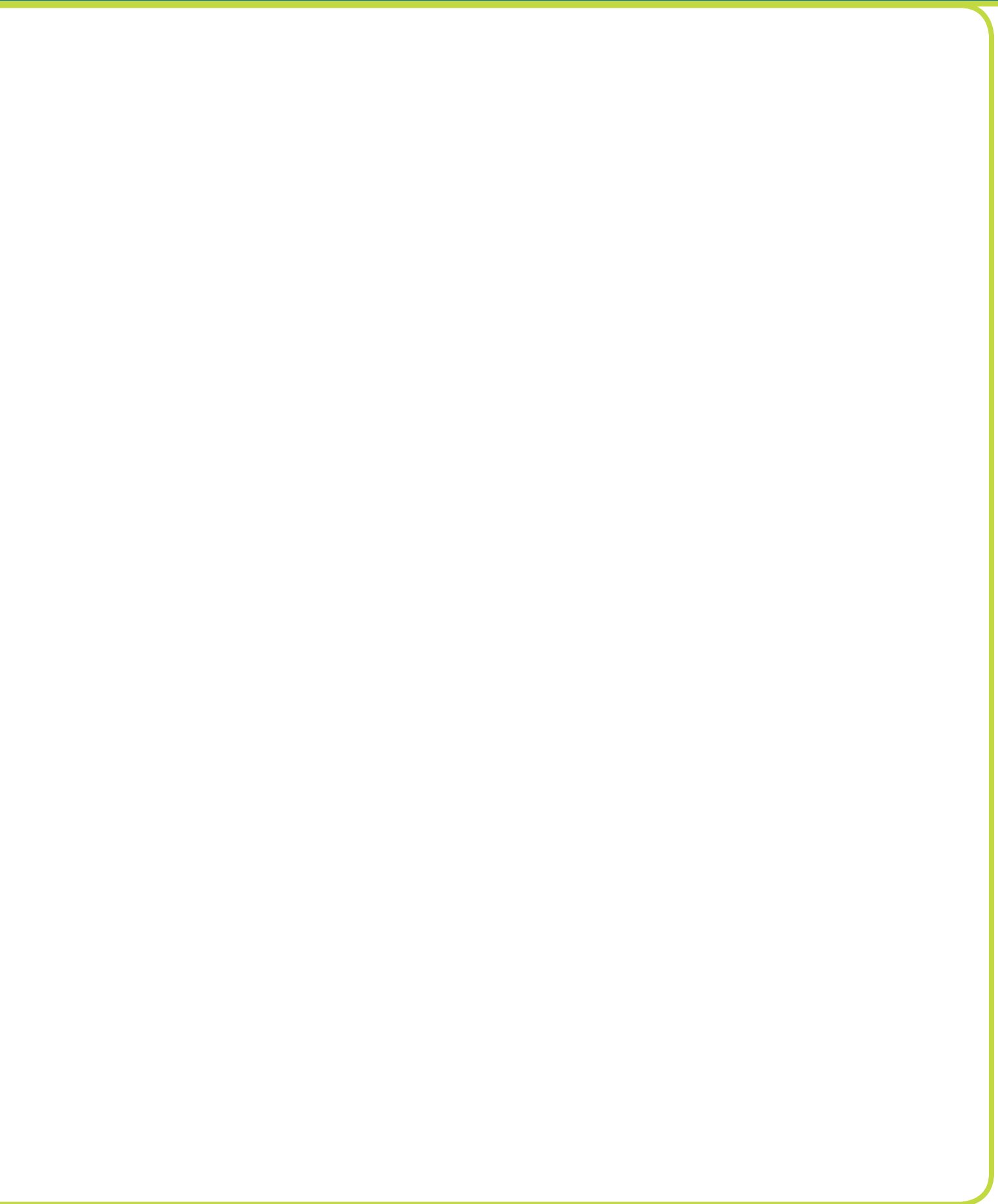
K Plus

J.P. Morgan
1-800-345-2345
www.retireonline.com

PacifiCorp Employee Benefits

1-800-455-6363
Benefits.Services@PacifiCorp.com







The information in this guide gives a brief overview of benefits provided. Not all plans are available in all locations. For more information, see your personalized enrollment form, go to *Benefits Online!* (HR Center > Your Benefits > Benefits Changes and Enrollment > *Benefits Online!*), or see the Summary Plan Description (HR Center > Your Benefits). If there is any conflict between this information and the official plan contracts or documents, the official plan documents will determine how the plans work and the benefits they pay.

10/2013