



**your benefits link**  
*caring for those who care*

FEATURING  
**MyCare Plan**  
*caring for yourself*

*My Guide to*  
**Benefits 2007**

*HCR·ManorCare*



My Name: \_\_\_\_\_

My Position: \_\_\_\_\_

My Benefit Level: \_\_\_\_\_ My Coverage Effective Date: \_\_\_\_\_

# Table of Contents

<b>HCR Manor Care Benefits Program – Benefits Link</b> .....	1
What is Benefits Link Worth to Me? .....	1
My Responsibility.....	2
My Eligibility.....	2
My Dependents' Eligibility .....	2
<b>My Medical Plan</b> .....	3
How Does the MyCare Plan Work? .....	3
HCR Manor Care's Contribution to MyCare Plan Health Fund .....	3
The MyCare Plan: take time to understand it .....	4
MyCare Plan Covered Services .....	5
Low-Option Medical Plan .....	6
Low-Option Medical Plan Covered Services .....	6
<b>My Dental Plan</b> .....	7
<b>My Vision Plan</b> .....	8
Vision Discount Program.....	8
<b>My Flexible Spending Account (FSA)</b> .....	9
How Do Flexible Spending Accounts Work? .....	9
An Example: Save Money with a Flexible Spending Account .....	10
Estimate Your Flexible Spending Account Contributions.....	10
<b>My Life Insurance Program</b> .....	11
My Basic Life/AD&D Insurance .....	11
My Optional Life Insurance .....	11
Statement of Health Requirements .....	11
My Voluntary Accidental Death and Dismemberment .....	12
My Business Travel Accident Insurance .....	12
<b>My Disability Program</b> .....	13
<b>My Supplemental (Voluntary) Benefits</b> .....	13
<b>My Employee Assistance Program</b> .....	14
<b>My Legal Services Plan</b> .....	14
<b>My Retirement</b> .....	15
<b>My Time Off with Pay</b> .....	16
<b>My Credit Union</b> .....	16
<b>My Adoption Assistance Program</b> .....	16
<b>My Education Assistance Plan</b> .....	17
<b>What Happens Next?</b> .....	18
My Enrollment .....	18
My Payroll Contributions .....	18
When My Life Changes (Qualified Status Change) .....	18
<b>Helpful Terminology</b> .....	19
<b>My Contacts</b> .....	22
<b>Group Insurance Beneficiary Designation</b> .....	23

# HCR Manor Care's Benefits Program – Benefits Link

HCR Manor Care is an organization committed to caring – caring for our patients, residents and for our employees. We understand that well-cared-for employees provide better care for our patients and residents. One way our organization cares for our employees is through our benefits program, which we call Benefits Link. It's a competitive program among the leaders of our industry.

The HCR Manor Care Benefits Link program gives you the opportunity to make benefit choices that best meet the needs of you and your family. This comprehensive program offers a wide array of benefits, such as:

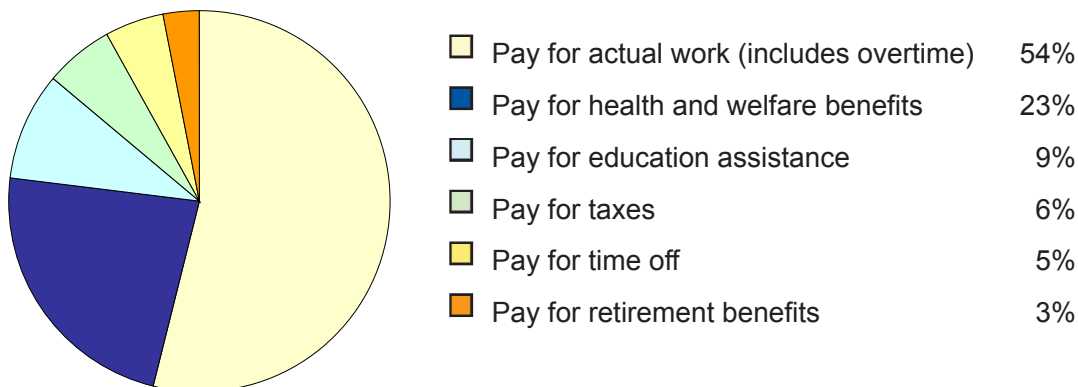
- MyCare Plan (Medical and Prescription Drug)
- Dental
- Vision
- Life and Disability
- Flexible Spending Accounts
- Retirement
- Employee Assistance Program
- Time Off
- Education Assistance
- Legal
- Supplemental Insurance

Benefits Link includes the MyCare Plan (the Company medical plan and prescription drug plan), which encourages you to be involved in your health care benefits and take active steps to bring you and your family to better health. The 100 percent Company-paid benefit for preventive care in the MyCare Plan is one example of the Company's strong commitment to your health.

This Guide highlights the benefits available to you. More information about your Benefits Link program will be provided after your enrollment by way of the MyCare Plan welcome material, the Summary Plan Description (SPD) and Benefit Descriptions.

## What is Benefits Link Worth to Me?

Your total compensation from HCR Manor Care includes your pay and benefits as shown in the pie chart below. From health care coverage to retirement savings to life insurance, HCR Manor Care offers a variety of benefit plans for you and your family. Below is the breakdown of the approximate cost of pay and benefits for an HCR Manor Care employee enrolled in all offered programs, assuming the average rate of pay for a full-time service employee.



## My Responsibility

As an HCR Manor Care employee, you are expected to be honest in all areas of your employment. It is your responsibility to comply with all applicable laws and standards, as well as with all HCR Manor Care policies, procedures and guidelines. This includes benefits enrollment and claim information. More importantly, taking an active role will help you make the best choices for you and your family.

To select the HCR Manor Care benefits that best meet the needs of you and your family, you should:

<b>Learn...</b>	... about your benefits by participating in orientation, in-services and enrollment meetings ... how to access benefits information on the Internet. Your human resources designee can help you with this.
<b>Review...</b>	... all benefit materials provided to you by your human resources designee or mailed to your home ... your pay advice frequently and immediately report any incorrect information, such as your address and payroll deduction amounts.
<b>Complete...</b>	... your enrollments using procedures provided by your human resources designee ... a beneficiary designation for your life insurance and retirement benefits
<b>Participate...</b>	... in your benefits and use the tools and resources available to you
<b>Report...</b>	... a family status change event or new home address (check that the address on your pay advice is correct)

## My Eligibility

Employees at HCR Manor Care are classified into Benefit Levels based on the area of business and their position. Your Benefit Level determines the benefit program and the waiting period you must meet before participating. Most benefits require full-time employment.

Your human resources designee will inform you of your Benefit Level and your group insurance Coverage Effective Date. Write this information on the cover of this Guide. The Summary Plan Description and Benefit Descriptions provide additional, detailed information and will be sent to you after your enrollment.

## My Dependents' Eligibility

You may choose to cover your family members in the Benefits Link group insurance benefit programs. In order to do so, you must also be enrolled, and you must provide documentation (birth certificate, marriage certificate, etc.) supporting the relationship of each dependent.

Your eligible dependents are:

- Your current legal spouse
- Your unmarried natural, step, adopted or foster child(ren) to age 19 (to age 25 if full-time student)
- Your unmarried, disabled dependent child who is age 19 or over, and is not a full-time student

If you have a Qualified Status Change (QSC) (see page 18 for details) after your initial enrollment and need to add dependents, you have 30 days (60 days for a birth or adoption) from the date of a QSC to enroll your new dependent(s) in the applicable benefit programs. Your added dependents will not be covered unless you also provide documentation that verifies proof of their eligibility within those 30 (60) days. You will be enrolled on your Coverage Effective Date in the Coverage level that is consistent with your elections and those of your verified dependents.



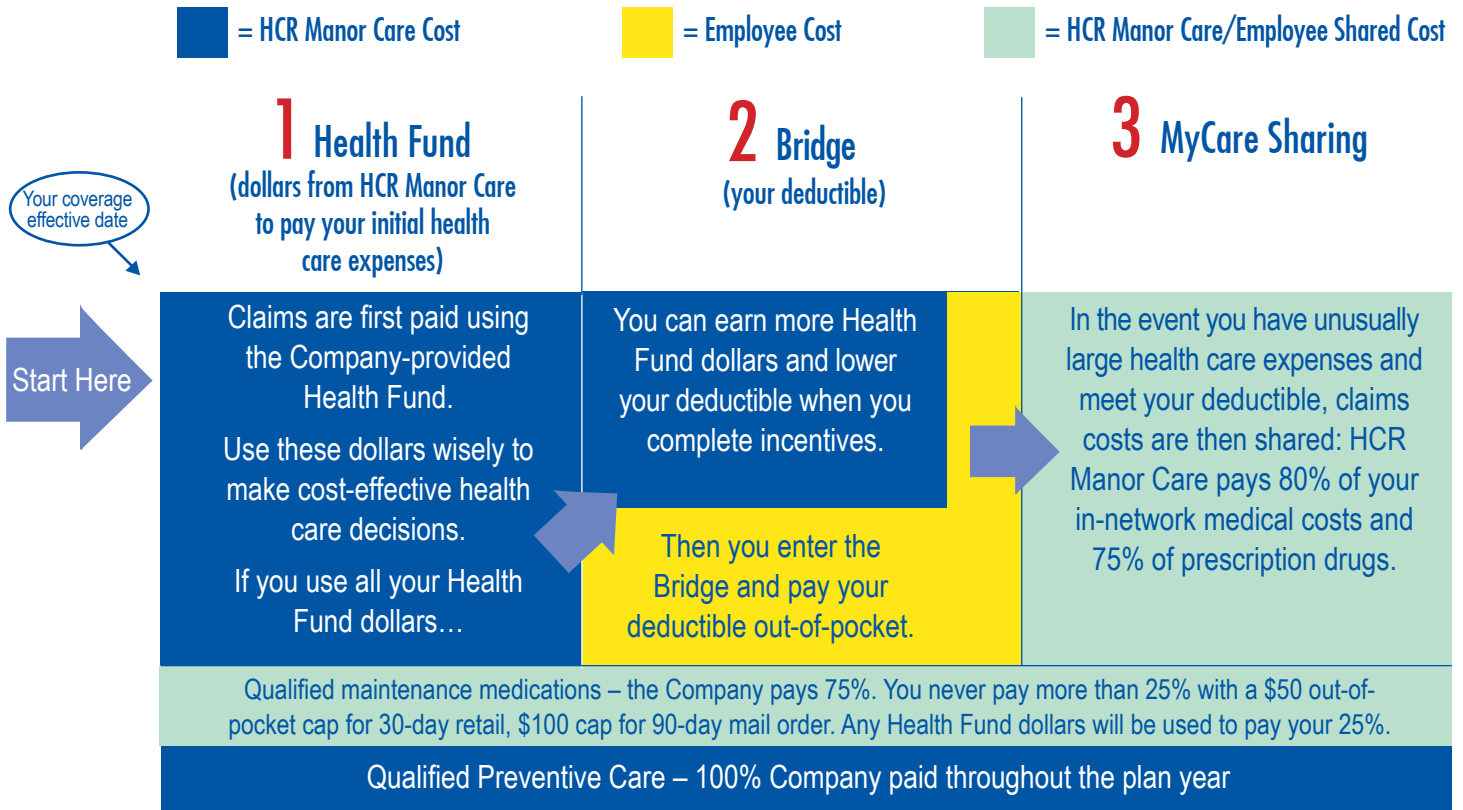
### DID YOU KNOW...

Your benefits eligibility and participation may change if you transfer from one location to another, change your home address, experience a Qualified Status Change or change to a different position. Check with your human resources designee to determine what benefits will be available before you apply for or accept a transfer.

# My Medical Plan

## How Does the MyCare Plan Work?

The MyCare Plan is administered by several carriers: Aetna, Paramount, Lumenos BCBS and United HealthCare. Where you work, and, in some cases, where you live, will determine which carriers are available to administer your MyCare Plan. Your human resources designee will give you information about the carrier(s) offered in your area. The carrier(s) available to you will also be listed on your Personalized Election Form. Follow this chart to learn about your MyCare Plan coverage.



## HCR Manor Care’s Contribution to MyCare Plan Health Fund

As a newly eligible employee, the amount the Company contributes to your Health Fund to pay for your initial health care expenses is prorated according to your Coverage Effective Date. You can earn up to \$300 and lower your Bridge amount when you complete incentive activities. See the schedule below to determine the portion of the Health Fund amount you will receive when coverage begins.

If your Coverage Effective Date is...	You Will Receive in Your Health Fund			
	Employee only	Employee plus child	Employee plus spouse	Family
January 1 – March 31	\$500	\$750	\$850	\$1,000
April 1 – June 30	\$375	\$562.50	\$635.50	\$750
July 1 – September 30	\$250	\$375	\$425	\$500
October 1 – December 31	\$125	\$187.50	\$212.50	\$250

# The MyCare Plan

*take time to understand it*

*“How can I increase my Health Fund and lower my Bridge amount?”*

*“Is the Bridge the same thing as a deductible?”*

## 1 The Health Fund pays first.

If your coverage level is:	HCR Manor Care pays for the first:
Employee only	\$500
Employee plus child	\$750
Employee plus spouse	\$850
Family	\$1,000

(or prorated amount)

*Whatever you don't use from your Health Fund rolls over to the next year.*

*Don't leave money on the table. Do your incentives today!*

**You can earn more money in your Health Fund to help pay more of your first expenses – up to \$300 more each year – by participating in incentive activities. (See below.)**

Here are some ways to increase your Health Fund and lower your deductible.

If you:	You earn:
Register for the first-time on your carrier's website	\$50
Have a preventive care check-up	\$150
Complete a wellness program such as smoking cessation	\$100

*Ask your human resources designee for more information about the incentive activities.*

## 2 If you use all your Health Fund money, then you pay the Bridge amount.

The Bridge is your deductible.

If your coverage level is:	You pay the next:
Employee only	\$300
Employee plus child	\$550
Employee plus spouse	\$700
Family	\$1,000

*These Bridge amounts are up to \$300 higher if you don't earn money through incentives.*

## 3 If you pay the full Bridge amount, then you and HCR Manor Care share the cost of your medical expenses. This is called MyCare Sharing.\*

	Medical expenses	Prescription drug expenses**
You pay	20%	25%
MyCare Plan pays	80%	75%

\* You have maximum out-of-pocket amounts for medical expenses in the MyCare Sharing portion of the plan. These maximums are \$4,000 per person for each coverage level; \$6,000 total if you have Employee + Spouse or Employee + Child coverage; \$8,000 total if you have Family coverage. In the event you have very large expenses and reach your maximum out-of-pocket, HCR ManorCare will pay 100% of your covered medical claims, up to a \$1,500,000 per person lifetime maximum. There is no out-of-pocket maximum for prescription drugs.

\*\* Qualified maintenance medications are always cost shared – the Bridge doesn't apply.

## MyCare Plan Covered Services

The MyCare Sharing portion of the MyCare Plan works like a Preferred Provider Organization (PPO) Medical Plan, with coverage for both in- and out-of-network medical services. Out-of-network services are covered at a lower co-sharing (coinsurance) level using Reasonable and Customary (R&C) fees, which means you may be “balance billed” by your provider. You should check with your health care providers before selecting a carrier to make sure they are in-network. The MyCare Plan includes coverage for prescription drugs at participating in-network pharmacies and mail order. A brief highlight of the covered services, after the Health Fund and Bridge (your deductible), is provided below:

Covered Services	IN-NETWORK MyCare Sharing (Paid by Company) (Discounted Fee)	OUT-OF-NETWORK MyCare Sharing (Paid by Company) (Reasonable & Customary Fees)
Preventive Care (based on carrier’s guidelines)	100%	Not Covered
Office Visits, Emergency Room, Urgent Care, X-ray/Lab Services, Maternity and Hospitalization	80%, after Bridge	50%, after Bridge
Physical, Occupational, Speech Therapies, Chiropractic Services, Durable Medical Equipment, Mental Health/ Substance Abuse, Skilled Nursing Facility; Home Care; and Hospice	80%, after Bridge*	50%, after Bridge*
Non-emergency Services in Emergency Room	25%, after Bridge	25%, after Bridge
Prescription Drugs*	IN-NETWORK MyCare Sharing (Discounted Fee)	
	75% paid by Company and:	
Retail Pharmacy, 30-day supply	You pay no more than \$50 per prescription	
Mail Order Pharmacy, 90-day supply	You pay no more than \$100 per prescription	
Specialty Rx, 30-day supply	You pay no more than \$100 per prescription	

- **Generic Prescription Drug Requirement:** Your pharmacist will automatically fill your prescription with a therapeutically equivalent generic drug. If your doctor writes DAW (“Dispense As Written”) on a script for a brand name drug that has a generic equivalent, you can and will receive the brand name drug with no penalty. If the doctor does not indicate DAW and you insist on the brand name instead of the generic, you will pay 100% of the cost. You will still receive the MyCare Plan discounted price from the pharmacy.
- **Qualified maintenance medications** (certain drugs that treat certain chronic conditions) are paid at 75% immediately and at the same level all year. You pay 25% up to the maximums shown above. Even if you enter the Bridge, you will not pay more than 25%, up to the maximums. While you have Health Fund dollars, your 25% will be paid from your Health Fund – the Company always pays the 75%. Check with the carrier to find out if the medication you or your dependents take is a qualified maintenance medication.

\* Coverage limits and maximums apply. See Medical Plan Summary or Benefit Description for more complete information.

## Low-Option Medical Plan

In certain skilled nursing, assisted living and rehabilitation locations, the Low-Option Medical Plan, administered by Aetna, is available to full-time employees. If this Plan is available to you, it will be listed on your personalized election form. The Low-Option Plan is an alternative to the MyCare Plan. You cannot enroll in both this Plan and the MyCare Plan. The Low-Option Medical Plan offers limited first-dollar coverage on limited services and permits freedom to choose providers. **There are no deductibles, coinsurance or overall total plan maximums; however, each coverage category has a limited total claim reimbursement.**

The Low-Option Medical Plan provides discounts on your prescription drug costs. When you have your prescription filled, instead of paying the full price of the drug, the participating pharmacy will charge you a preferred rate, which is typically 10% off the average wholesale price of the drug, plus a nominal dispensing fee.

Because of the reimbursement limits for each category, the Low-Option Medical Plan is available to you at a lower payroll deduction amount than the MyCare Plan. Benefits are coordinated with other medical coverage you may have outside HCR Manor Care.

## Low-Option Medical Plan Covered Services

Covered Services	Limits
Office Visits	\$80/visit maximum; 20 visits per calendar year
Emergency Room	\$80/visit maximum; 2 visits per calendar year
Preventive Care	\$150 maximum per calendar year
Allergy Testing, Outpatient X-ray and Lab, Chiropractic Services, Physical Therapy and Inpatient Hospital Physician Visits	\$55/visit; 6 visits per calendar year
Durable Medical Equipment	\$200 maximum per calendar year
Inpatient Hospital	\$400/day; 20 days per calendar year
Inpatient Hospital Physician Visit	\$55 per opinion
Inpatient ICU/CCU/NICU	\$800/day; 20 days per calendar year
Inpatient/Outpatient Surgical Physician Services	\$1,200 surgical maximum per calendar year
Outpatient Hospital Services	\$1,500 maximum per calendar year
Inpatient Mental Health/Substance Abuse	Same as inpatient hospital physician coverage
Outpatient Mental Health/Substance Abuse	Same as physician office visit coverage
Prescription Drugs	Member pays 100% of discounted prescription drug cost

### IMPORTANT!

If you waive the Low-Option Medical Plan, you will not be able to enroll for a two plan-year period.

# My Dental Plan

HCR Manor Care offers you two options for dental coverage administered by MetLife. Both are Preferred Dental Provider (PDP) options with a network of dentists provided by MetLife. When you use an in-network dentist, you save money – first, because your benefit is based on discounted dental fees, second, because you won't be “balance billed” for charges that exceed Reasonable and Customary (R&C) fees. To locate a participating dentist, call **1.800.474.7371** or visit **[www.metlife.com/dental](http://www.metlife.com/dental)**. Make sure the dentist still participates in the MetLife PDP when you make an appointment.

Option A	Option B
A lower employee premium payroll contribution	A higher employee premium payroll contribution
Higher level of benefits when you use in-network providers	Greater flexibility by providing the same level of benefits for in- or out-of-network services
Pediatric Orthodontic Services covered in-network only	Pediatric Orthodontic Services covered in- or out-of-network

Below is a brief highlight of the types of services covered under each dental option:

Features	Option A		Option B	
	In-Network	Out-of-Network	In-Network	Out-of-Network
Annual Deductible	\$25 Individual	\$50 Individual	\$25 Individual	\$25 Individual
	\$75 Family	\$150 Family	\$75 Family	\$75 Family
Annual Maximum Paid by the Plan	\$1,000 Individual	\$750 Individual	\$1,000 Individual	\$1,000 Individual

Covered Services (Up to the Annual Maximum amount)	Option A		Option B	
	In-Network Coinsurance (Paid by Company) (Discounted Fees)	Out-of-Network Coinsurance (Paid by Company) (R&C Fees)	In-Network Coinsurance (Paid by Company) (Discounted Fees)	Out-of-Network Coinsurance (Paid by Company) (R&C Fees)
Preventive: Exams, Cleanings, X-rays, etc.	100%	100%	100%	100%
Basic: Fillings, Surgery, etc.	80%	50%	80%	80%
Major: Bridges, Crowns, Dentures, Implants, etc.	50%	50%	50%	50%
Pediatric Orthodontia: \$1,000 Lifetime Maximum	50%	Not Covered	50%	50%

## IMPORTANT!

If you waive Dental Plan coverage, you will not be able to enroll in the Dental Plan for a two plan-year period.

# My Vision Plan

You have the opportunity to enroll in the full-service Vision Plan offered through Spectera Vision. Here is a highlight of the benefit coverage:

Features	Benefit	Your Cost
Comprehensive Vision Exam, one exam every 12 months.	Vision exam provided by optometrist or ophthalmologist.	\$20 copay
Pair of Lenses – once every 12 months	Standard single, lined bi- and/or tri-focal. Contact lenses (in place of eyeglasses). Lens options (progressive, tints, UV, anti-reflective, etc.) available at a discount.**	\$20 copay*
Frames – once every 12 months	Most frames are covered in full after the copay. Private practice – \$50 wholesale frame allowance. Retail provider – \$130 retail frame allowance.	\$20 copay*

Refractive eye surgery is available at discounted fees.

\* There is one \$20 copay when purchasing both lenses and frames.

\*\* Polycarbonate lens upgrade at no charge.

## Vision Discount Program

For employees not enrolled in MyCare Plan or My Vision Plan, a vision discount program also by Spectera is available:

- Only for employees who are not enrolled in the MyCare Plan
- For employees who are not enrolled in the Vision Plan
- No payroll contribution
- No enrollment required

Information is mailed to current and newly-eligible employees at home after a waiting period. Call **1.800.638.3120** or visit **www.spectera.com** to locate a provider.



### DID YOU KNOW ...

If you are covered by more than one medical, dental or vision plan (another plan outside of HCR Manor Care), the HCR Manor Care plan will not pay benefits greater than it would if you were covered by only the one plan. This is called Coordination of Benefits.

# My Flexible Spending Account (FSA)

You can save tax dollars each year by participating in the Health Care and/or the Dependent Care Flexible Spending Account administered by Aetna. You decide how much you want to contribute for the year to the Health Care and/or Dependent Care Spending Account(s). You pay no federal income tax, no Social Security tax or (in most states) no state tax on the amount you set aside in a Flexible Spending Account.

Consider enrolling in a Flexible Spending Account if you:

- Plan to pay for eligible out-of-pocket health care expenses such as the deductible, coinsurance or copay under your group health plan
- Plan to pay expenses for prescription eyeglasses, contact lenses or saline solution not paid by any vision plan, or expect dental or orthodontia expenses not paid by any dental plan
- Purchase over-the-counter (OTC) drugs for the treatment of an illness or injury
- Pay a care provider or day care center to take care of your children or elderly parents so you and your spouse (if applicable) can work, or so you can work and your spouse may attend school full-time

## How Do Flexible Spending Accounts Work?

- **Participate.** Each year you decide whether or not to enroll in one or both of the Flexible Spending Accounts during Annual Open Enrollment, or in your initial enrollment as a new hire.
- **Estimate expenses.** Estimate the amount of eligible health care and/or dependent care expenses you are likely to have through the end of the plan year. Note: The Plan Year is January 1 through December 31.
  - If you are enrolling in a Flexible Spending Account after January 1 as a new hire, you will participate for a shorter period than the full Plan Year. The amount you choose to contribute should reflect the short year.
- **Set contribution.** Set your annual contribution amount (your per-pay-period amount times the number of pays if you have a short year). Your per-pay period deduction will be calculated based on this annual amount.
- **File claims.** As you incur eligible expenses, file claims to receive a reimbursement from your account(s).
- **Use Aetna Navigator.** Call **1.888.238.6226** or visit Aetna Navigator at **www.aetna.com/fsa** to keep track of your claims and account balances.

Flexible Spending Account	Your Annual Contribution
Health Care Flexible Spending Account	Minimum: \$104 Maximum: \$5,000
Dependent Care Flexible Spending Account	Minimum: \$104 Maximum: \$2,500 if married and filing income taxes separately, or \$5,000 if single or married filing jointly

### DID YOU KNOW...

Expenses incurred while a participant between January 1 of the plan year and March 15 of the next year can be reimbursed from the Flexible Spending Accounts. Be sure to submit a claim for your expenses by March 31 of the next year to receive reimbursement. Any FSA dollars remaining after March 31 of the next year will be forfeited.

## An Example: Save Money with a Flexible Spending Account

Susan is a working mother with two children who earns \$24,000 in a year and is enrolled in the MyCare Plan and Dental. This chart illustrates Susan's tax savings and increase in take-home pay if she enrolls in either type of Flexible Spending Account.

	With a Flexible Spending Account	Without a Flexible Spending Account
Taxable income	\$24,000	\$24,000
Before-tax FSA Contribution for medical/dependent care expenses	- \$1,000	- \$0
Taxable income	\$23,000	\$24,000
Federal income and Social Security taxes	- \$3,450	- \$3,600
After-tax dollars spent for medical/dependent care expenses	\$0	- \$1,000
Remaining income	\$19,550	\$19,400
<b>SAVINGS =</b>	Susan has \$150 more in take-home pay.	No Savings

## Estimate your Flexible Spending Account Contributions

### Health Care Flexible Spending Account Worksheet

	Current year expenses	Estimated expenses for next year
Medical and dental plan deductibles	\$ _____	\$ _____
Your share of eligible expenses under your medical, dental and vision plans (copays and coinsurance amounts)	\$ _____	\$ _____
Items not paid, or only partially paid, by your medical, dental and vision plans, such as:		
Eye exams, eyeglasses, contact lenses	\$ _____	\$ _____
Expenses above your medical, dental or vision plan limits	\$ _____	\$ _____
Other health care costs allowed by the IRS	\$ _____	\$ _____
<b>Total expenses</b>	\$ _____	\$ _____
Health Care FSA contribution \$ _____		

### Dependent Care Flexible Spending Account Worksheet

	Current year expenses	Estimated expenses for next year
Child or adult day care expenses	\$ _____	\$ _____
Before/after school program expenses	\$ _____	\$ _____
Summer day camp program expenses	\$ _____	\$ _____
<b>Total expenses</b>	\$ _____	\$ _____
Dependent Care FSA contribution \$ _____		

# My Life Insurance Program

HCR Manor Care provides eligible employees with a basic level of term life insurance and accidental death and dismemberment (AD&D) insurance coverage. Enrollment in this is automatic and coverage begins on the first of the month following your waiting period.

## My Basic Life/AD&D Insurance

Plan Type	Employee	Spouse	Child
Basic Life and AD&D (Company Paid)	1x Annual Base Pay*	No Coverage	No Coverage

\* Benefit Level 03, 17 and 43 employees receive two times Annual Base Pay.

## My Optional Life Insurance

In addition to the Basic Life and AD&D Insurance provided by the Company, there are optional life and AD&D insurance choices that you may purchase at group rates for yourself and your family. The group rate is based on your age and your enrolled spouse's age. The group rate adjusts by age every five years. You must purchase Optional Employee Life Insurance in order to purchase Optional Spouse or Optional Child Life Insurance.

Plan Type	Employee	Spouse	Child
Optional Life (Employee Paid)	1x – 4x Annual Base Pay	\$2,000 – \$20,000	\$1,000 – \$7,500

The cost to participate in the Optional Life Insurance program for employees and dependent children is provided on your Personalized Election Form. The cost to cover a spouse is based on the age of your spouse at the time of enrollment and is included on the following chart:

Spouse's Age	29 and Under	30 - 34	35 - 39	40 - 44	45 - 49	50 - 54	55 - 59	60 - 64	65 - 69
Bi-Weekly Rate (per \$1,000 coverage)	\$.02	\$.03	\$.05	\$.07	\$.11	\$.19	\$.30	\$.51	\$.96

## Statement of Health Requirements

A "Statement of Health" form must be submitted within the enrollment period to apply for Optional Employee, Spouse or Child Life Insurance when:

- You are purchasing coverage after your first opportunity to enroll
- You are purchasing 3x or 4x Employee Life coverage
- You are purchasing an amount of Employee Life that exceeds a \$615,000 benefit
- You, your spouse or child(ren), who are to be covered, have been hospitalized within 90 days prior to the effective date of coverage for which you are applying

Your human resources designee will provide the "Statement of Health" form upon your request. You will initially be enrolled in the amount that doesn't require an approved Statement of Health. The additional coverage will be added once your Statement of Health form is received and approved by the insurance company.

## My Voluntary Accidental Death and Dismemberment

You may purchase accidental death and dismemberment coverage for yourself only (Employee) or yourself and eligible dependents (Family).

This plan provides a benefit in case of an accidental death or a covered injury or accident while coverage is in effect.

Plan Type	Employee	Spouse	Child
Voluntary AD&D (Employee Paid) Two levels of coverage to choose from: <ul style="list-style-type: none"> <li>• Employee</li> <li>• Family</li> </ul>	\$10,000 – \$1,000,000	45% or 50% of employee level, depending upon family unit (spouse and/or children) at time of claim	10% or 15% of employee level, depending upon family unit (spouse and/or children) at time of claim

## My Business Travel Accident Insurance

HCR Manor Care provides income security for your family with a Company-paid Business Travel Accident Insurance plan, administered by CIGNA, that covers employees under age 70 while they are on Company-approved travel. Coverage begins on the first day of full-time employment. Enrollment is not required.

Employment Status	Principal Sum
Active full-time salaried exempt employees with base earnings of \$45,000 or more	\$350,000
Active full-time salaried exempt employees with base earnings of less than \$45,000	\$250,000
Active full-time non-exempt employees	\$100,000

### IMPORTANT!

Upon enrollment, you must designate a beneficiary for your life/AD&D insurance benefits. The Group Insurance Beneficiary Designation form is included at the end of this booklet. You may change your beneficiary at any time by completing a new form. You are the beneficiary for any optional spouse, child or voluntary AD&D insurance when the loss is for a covered family member. As your family status changes, you may want to review your current beneficiary designation for appropriate changes. This form is kept in your insurance file at your work location.

# My Disability Program

Short-Term Disability (STD) and Long-Term Disability (LTD) options are available to eligible full-time employees. Company-paid LTD coverage begins the month after you complete one year of full-time service. All disability plans contain a pre-existing condition exclusion provision. Refer to Benefit Descriptions or policies for details.

Positions in...	Who Pays...	Short-Term Disability (STD)	Long-Term Disability (LTD)
Benefit Levels: 01, 07 and 41	Employee	Colonial Supplemental Plan	Colonial Supplemental Plan
Benefit Levels: 02, 08, 10, 16, 30 and 42	Company	Not Available	CIGNA Plan: 50% of base weekly pay, beginning after 180 days of disability
	Employee	Colonial Supplemental Plan	Colonial Supplemental Plan
Benefit Levels: 03, 17, 31 and 43	Company	Company Plan: 70% of base weekly pay, up to a maximum of 26 weeks	CIGNA Plan: 60% of base weekly pay, beginning after 180 days of disability
	Employee	Not Available	Colonial Supplemental Plan

# My Supplemental (Voluntary) Benefits

HCR Manor Care has arranged with Colonial Supplemental Insurance Company to provide supplemental (voluntary) benefits. Details about these programs and an opportunity to apply without medical underwriting will be provided at your work location by a licensed Colonial representative within your first 90 days of employment. Most policies are individual and portable.

You may purchase...
Short-Term Disability Insurance
Long-Term Disability Insurance
Universal Life Insurance
Family Accident and Spousal Disability Coverage
Cancer Insurance

## My Employee Assistance Program

HCR Manor Care understands that when life or work becomes a balancing act, a helping hand provided by highly skilled and compassionate professionals, not just technology, can make all the difference. That is why the Company provides you with an Employee Assistance Program (EAP) called LifeMatters<sup>SM</sup>. This is available at no cost to you, your spouse or partner, children and any person permanently living in your home. This program is administered by National Employee Assistance Services, Inc. (NEAS).

### Here are some of the services available to you through your employee assistance program...

Unlimited telephone or online counseling available every day of the year, around the clock

Counseling and referrals for substance abuse

Self-assessments for a variety of concerns completed online or by phone

WorkLife Balance Services that assist you in finding balance in your work/life with articles, self-help tips and useful resources

Healthy Living Services that offer resources on diet, exercise, healthy lifestyles, personal safety, etc.

Access to the National Library of Medicine for extensive information on diseases and conditions

Free and confidential credit counseling

A variety of online calculators to assist in managing your money

Learn how to prevent or what to do if you are a victim of identity theft

LifeMatters services are governed by state and federal laws which require strict confidentiality of your records. For assistance call **1.800.634.6433** or visit **www.neas.com**. Click on the **LOGIN** button and then enter the password **HCR1**.

## My Legal Services Plan

As an eligible employee, you may participate in the HCR Manor Care Legal Services Plan administered by Hyatt Legal Plans.

### The Plan provides easy, convenient access to a wide variety of personal legal services, such as...

Advice and Consultation – Office visit/phone consultation

Consumer Protection – Small claims, debt collection and identity theft defense, personal bankruptcy filing and court hearing and trial representation

Document Presentation – Demand letters, personal legal document review such as leases or purchase agreements

Family Law – Name change, uncontested adoption and guardianship

Real Estate Matters – Eviction and tenant problems (primary residence for tenant only), refinancing, sale/purchase of primary residence

Traffic and Criminal Matters – Juvenile court, traffic ticket defense (no coverage for DUI)

Wills and Estate Matters – Wills, living wills/trusts, power of attorney

Call **1.800.821.6400** or visit the Legal Services Plan website at **www.legalplans.com** and click on “Thinking About Enrolling,” then enter the password “3390010” to learn more about the plan, locate an attorney or view covered services.

# My Retirement

To help you prepare for retirement, HCR Manor Care provides a 401(k) retirement savings plan called the HCR Manor Care Stock Purchase and Retirement Savings 401(k) Plan (SPARS). Fidelity Investments provides recordkeeping and trustee services for this Plan.

With this benefit, you can combine the convenience of payroll deduction, tax advantages and investment growth opportunity – plus a competitive match funded by HCR Manor Care – to build the financial resources for a comfortable retirement.

<b>Eligibility</b>	Employees age 21 and older, after completing six consecutive months of service with at least 500 hours of service.															
<b>Enrollment</b>	Upon your eligibility to participate in the 401(k), an enrollment guide will be sent to your home with plan information and instructions on how to enroll. Once eligible, you may enroll in the 401(k) plan at any time during the year.															
<b>Your Contribution</b>	You can contribute between 1% and 50% of your pay on a before-tax basis. You can change your contribution rate at any time. Maximum before-tax contribution in 2007 is \$15,500.															
<b>Company Match</b>	For every \$1 you contribute to your account (up to 6% of pay), HCR Manor Care matches 50¢ (up to 3% of pay). The match is provided annually in HCR Manor Care stock (symbol is “HCR”) for eligible participants who complete 1,000 hours of service and are employed on December 31 of that year. Matching employer contributions may be moved from the HCR Manor Care stock fund at any time.															
<b>Company Match Eligibility</b>	Company match eligibility begins after 12 months of service and 1,000 hours of service.															
<b>Vesting of Company Match</b> <i>(Your ownership percentage based on recognized years of service)</i>	<table border="1"> <thead> <tr> <th><u>Years of Service</u></th> <th><u>Percent Vested</u></th> </tr> </thead> <tbody> <tr> <td>Less than 2 years</td> <td>0%</td> </tr> <tr> <td>2 but less than 3 years</td> <td>20%</td> </tr> <tr> <td>3 but less than 4 years</td> <td>40%</td> </tr> <tr> <td>4 but less than 5 years</td> <td>60%</td> </tr> <tr> <td>5 but less than 6 years</td> <td>80%</td> </tr> <tr> <td>6 or more years</td> <td>100%</td> </tr> </tbody> </table>	<u>Years of Service</u>	<u>Percent Vested</u>	Less than 2 years	0%	2 but less than 3 years	20%	3 but less than 4 years	40%	4 but less than 5 years	60%	5 but less than 6 years	80%	6 or more years	100%	
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<b>Investment Options</b>	A selection of professionally managed investment options is provided. Your future investments can be changed on a daily basis; your balances can be transferred (exchanged) between options on a daily basis.															
<b>Rollovers from Previous Employers</b>	If you have an existing qualified retirement plan account from a previous employer, you may transfer the funds into this Plan even before becoming eligible. By doing so, you can avoid current income tax liability on the amount rolled over. Contact your human resources designee.															
<b>How to Get More Information</b>	Information can be obtained from your human resources designee or Fidelity Investments. Telephone <b>1.800.835.5095</b> or visit the website at <b>www.401k.com</b> .															

## My Time Off With Pay

An important part of your benefit program is time off with pay. HCR Manor Care provides time off with pay for holidays, vacation and sickness, funerals and jury duty. The Summary of Time-Off Benefit Plans will provide detailed information on the time-off program at your work location. This is available from your human resources designee.

## My Credit Union

HCR Manor Care provides access to a credit union at every work location. It's easy – you contribute to credit union accounts through direct deposit of your pay. Contact your human resources designee or payroll designee to request information about the credit union available to you.

### Benefits and services often provided by credit unions are...

Convenience	No-fee Checking	Savings Programs
Online and Phone Banking	Loan and Credit Card Services	Financial Planning
ATM and Debit Cards	Special Discount Programs	Christmas Savings Club

## My Adoption Assistance Program

HCR Manor Care provides adoption assistance for limited expenses incurred in the process of a legal adoption of one child. You will be reimbursed for eligible charges up to a maximum of \$1,500.

Charges eligible under this plan are agency fees, placement fees, attorney fees, maternity fees (child's natural mother) and temporary foster care charges (immediately preceding placement of the child with adopting family.) For assistance, see your human resources designee.

# My Education Assistance Plan

HCR Manor Care offers an Education Assistance Plan that is designed to help ensure that your career with HCR Manor Care brings you personal and professional fulfillment and appropriate financial rewards.

The plan includes a Tuition Loan program for full-time employees interested in pursuing a degree toward a professional career at HCR Manor Care or who want to enhance their knowledge within their current position.

There is also a Nurse and Therapist Student Loan Payment program that provides monthly financial assistance to HCR Manor Care employees currently paying on student loans.

Scholarship money is also available through a Nurse and Therapist Scholarship program for applicants interested in pursuing a degree in the nursing or therapy profession.

When the time is right and you are interested in learning more, contact your human resources designee for an Education Assistance Program description.

Program	Eligibility	Highlights
Tuition Loan Program	Full-time employees Three continuous months or more of full-time service	Financial assistance to pursue a degree toward a professional career at HCR Manor Care or to enhance your knowledge within your current position
Nurse and Therapist Student Loan Payment Program	Full-time, newly hired, certified, registered or licensed employee Full-time newly certified, registered or licensed current employee	Receive an amount of your loan payment per month to pay back your student loans used to finance your nurse or therapist education
Nurse and Therapist Scholarship Program	Employees and public Sponsored by HCR Manor Care location	Open to the public and HCR Manor Care employees. Scholarships are awarded twice a year

## DID YOU KNOW ...

Both the Nurse and Therapist Student Loan Payment Program and the Nurse and Therapist Scholarship Program apply to the following degrees: Registered Nurse (RN), Licensed Practical Nurse (LPN), Nurse Practitioner (NP), Physical Therapist Assistant (PTA), Certified Occupational Therapist Assistant (COTA), Respiratory Therapist, Physical Therapist (PT), Occupational Therapist Registered (OTR) and Speech Language Pathologist (SLP).

# What Happens Next?

## My Enrollment

In order to participate in the group insurance benefit program, you will be required to complete the enrollment process during a specified enrollment period, as indicated on your personalized election information. Your human resources designee will instruct you on the process.

When enrolling for medical, dental and vision benefits, you will be required to choose one of the following Coverage Levels:

- Employee Only
- Employee + Child
- Employee + Spouse
- Family

## My Payroll Contributions

Certain benefit elections will require employee contributions for the premium costs. By enrolling, you are authorizing the deduction of all applicable contributions from your wages to be withheld beginning with the first pay period containing the Effective Date of your coverage. Deductions for benefits in which you enroll during an annual open enrollment period will begin with the first pay of the Plan Year. Deductions are either “before-tax” or “after-tax,” which is specified on your personalized confirmation forms.

If your enrollment is completed during your enrollment window, but has not been processed when you are paid and a deduction is missed, the missed deduction will be withheld from your next available pay, along with the required current deduction.

In the event a payroll contribution is unable to be made for any reason (for example, you are on an unpaid leave of absence), you are responsible for making arrangements to pay the missed contribution within 15 days of it being missed. See your human resources designee for instructions on how to make payments to ensure that your coverage will not be interrupted or canceled.

## When My Life Changes (Qualified Status Change)

Enrollment changes may be made each year during the Group Insurance Annual Open Enrollment period for January 1, or when you experience a Qualified Status Change approved by the Employee Benefits Department.

### A Qualified Status Change is a Change to your...

- Legal marital status
- Number of dependents
- Employment Status
- Dependent(s) eligibility
- Residence or place of work

You must report a change in family status to your human resources designee within 30 days of the event in order to revise your benefit elections and deductions (60 days for a birth/adoption). See your human resources designee for more details and the forms necessary to request approval and make changes to your benefit elections.

# Helpful Terminology

## AFTER-TAX CONTRIBUTIONS

Contributions for certain benefit options that are deducted from your pay after Social Security, federal, and most state and local taxes have been withheld.

## ANNUAL BASE PAY

The amount you earn on a yearly basis. This does not include overtime, bonuses, shift differentials, commissions and other amounts over the base rate of pay.

## ANNUAL OPEN ENROLLMENT PERIOD

The time when you may make changes to your enrollment for the upcoming year.

## BEFORE-TAX (PRETAX) CONTRIBUTIONS

Contributions for certain benefit options that are deducted from your pay before Social Security, federal and most state and local taxes have been calculated and deducted.

## BENEFIT LEVEL

A Company classification used for describing your benefits program, depending on the area of business and position in which you work.

## BRIDGE

A limited out-of-pocket expense – your deductible – that must be met after your Health Fund dollars have all been used. The amount is determined by your coverage level.

## CARRIER OR CLAIMS ADMINISTRATOR

The entities appointed by the Plan Administrator to process benefit claims.

## COINSURANCE

The benefit payment percentage that must be paid by a medical or dental Plan participant for services after the plan's limited out-of-pocket expense is met.

## CONTINGENT BENEFICIARY

The person or persons named as a beneficiary of the proceeds from a life insurance or accidental death and dismemberment plan or 401(k) retirement savings plan, who would receive the proceeds of that plan in the event of the participant's death, if the primary beneficiary is also deceased.

## COORDINATION OF BENEFITS

This applies to the Company's medical, dental and full-service vision plan options. If you are covered by more than one plan, HCR Manor Care's plan will not pay greater benefits than you would receive if you were covered by only the one plan. This is also known as non-duplication of benefits.

## COVERAGE LEVELS

A Company classification used for describing who and how many dependents you are covering under a benefit program. Medical and dental coverage levels are Employee Only, Employee Plus One Child, Employee Plus Spouse or Family. "Family" means employee plus two or more eligible dependents.

## COVERAGE EFFECTIVE DATE

The date that coverage begins for benefits.

## **GENERIC DRUG**

A drug approved by the Federal Drug Administration (FDA) that generally sells at a lower cost than its therapeutically equivalent brand-name counterpart. Generic drugs meet the same standards as brand name drugs for safety, purity, strength and effectiveness.

## **HEALTH FUND**

An account set up within the MyCare Plan for you which contains a contribution from the employer and incentive dollars earned by you. These dollars are used to cover initial medical and prescription drug expenses during the plan year.

## **HEALTH RISK ASSESSMENT**

A questionnaire designed to help you determine your health needs and risks. When you complete the assessment through your MyCare Plan carrier you receive a personal health report and action plan that you can share with your doctor.

## **LIFETIME MAXIMUM BENEFIT**

The most a benefit plan will pay for covered services for a person while that person is enrolled in that plan.

## **MEDICAL, DENTAL OR VISION PLAN SUMMARY**

A one-page table that gives benefit coverage information on out-of-pocket expenses (Bridge, annual maximums, etc.) specific to one medical, dental or vision plan option provided by the HCR Manor Care Benefits Link Group Insurance program.

## **MEDICALLY NECESSARY**

A service, confinement or pharmaceutical supply prescribed by a physician or other covered provider for the diagnosis or treatment of a sickness or injury that is considered to be generally accepted (not experimental) and used by the medical community as appropriate for the condition being treated or diagnosed.

## **MYCARE PLAN**

The HCR medical and prescription drug plan that offers provider choice and flexibility, limited out-of-pocket expenses (Bridge and annual maximums) and coinsurances, preventive and wellness benefits, plus tools and resources for the plan member to use in determining best services and providers when seeking health care. The plan also features a health fund that pays for your first medical expenses.

## **OUT-OF-POCKET MAXIMUM**

Under the MyCare Plan, the maximum amount of medical coinsurance you have to pay out of your pocket for medical expenses before the plan will pay 100 percent of covered medical costs for the rest of the calendar year. Prescription drug costs do not have an out-of-pocket maximum.

## **PLAN ADMINISTRATOR**

The HCR Manor Care Employee Benefits Committee is the Plan Administrator for the HCR Manor Care Welfare Benefit Plan.

## **PLAN SPONSOR**

Plan Sponsor means the employer, which is Heartland Employment Services, LLC.

## **PLAN YEAR**

Plan year means the 12-month period beginning on January 1 and ending on December 31, unless otherwise provided under the terms of a particular benefit program.

## **PORTABLE LIFE INSURANCE**

The ability to keep certain supplemental insurance policies should your active coverage end.

## **PRIMARY BENEFICIARY**

The person(s) named as beneficiary of the proceeds under a life insurance or accidental death and dismemberment plan or 401(k) retirement savings plan who would receive the proceeds of that plan in the event of the participant's death.

## **QUALIFIED STATUS CHANGE**

A birth/adoption, divorce, death, spouse or dependent change in employment status, change in child's student status when age 19-25, change in residency, court-ordered coverage of a child or change in government-provided enrollment. Also, your change in employment status to or from part-time or PRN and full-time.

## **REASONABLE AND CUSTOMARY (R&C) CHARGE**

The covered charge for services determined by the plan based on the average charge of other physicians/facilities/providers in a specific geographic location.

## **STATEMENT OF HEALTH**

A questionnaire that must be completed and submitted to the insurance company under certain conditions when applying for optional life insurance on behalf of the employee or eligible dependents. Approval is determined by the insurance company.

## **SUMMARY PLAN DESCRIPTION**

The document that defines the benefit programs available to eligible employees and supports the legal plan document. The Summary Plan Description contains information that describes the eligibility, waiting period, premium cost sharing, if any, coverage for benefits available, how to apply for benefits, how to appeal denied benefits, and termination of benefits.

## **VESTING**

The granting to an eligible employee of the right to specified retirement benefits, usually after a fixed period of employment.

# My Contacts

Need help? Call the experts at your carrier or visit the website (see below). Your human resources designee is available to help you with enrollment and to educate you about your benefits; however, your specific questions may require that you contact the carrier directly.

Carrier	Telephone	Website
<b>MEDICAL</b>		
Aetna	1.800.938.0508	<a href="http://www.aetna.com/mycareplan">www.aetna.com/mycareplan</a>
Lumenos	1.866.258.1611	<a href="http://www.lumenos.com">www.lumenos.com</a>
Paramount (Toledo area)	419.887.2525/1.800.462.3589	<a href="http://www.paramounthealthcare.com/mycareplan">www.paramounthealthcare.com/mycareplan</a>
UnitedHealthcare	1.800.430.8432	<a href="http://www.myuhc.com/groups/mycareplan">www.myuhc.com/groups/mycareplan</a>
<b>DENTAL</b>		
MetLife (Dental)	1.800.942.0854	<a href="http://www.metlife.com/dental">www.metlife.com/dental</a>
<b>VISION</b>		
Spectera	1.800.638.3120	<a href="http://www.spectera.com">www.spectera.com</a>
<b>FLEXIBLE SPENDING ACCOUNT</b>		
Aetna	1.888.238.6226	<a href="http://www.aetna.com/fsa">www.aetna.com/fsa</a>
<b>LIFE</b>		
MetLife (Life)	1.800.638.5433	None
<b>SUPPLEMENTAL (VOLUNTARY) INSURANCE</b>		
Colonial Supplemental Insurance	1.800.325.4368	<a href="mailto:tolcolhcrmc@msn.com">tolcolhcrmc@msn.com</a>
<b>EMPLOYEE ASSISTANCE PROGRAM / LIFEMATTERS</b>		
National Employee Assistance Services, Inc. (NEAS)	1.800.634.6433	<a href="http://www.neas.com">www.neas.com</a>
<b>LEGAL SERVICES PLAN</b>		
Hyatt Legal Plans	1.800.821.6400	<a href="http://www.legalplans.com">www.legalplans.com</a>
<b>RETIREMENT</b>		
Fidelity	1.800.835.5095	<a href="http://www.401k.com">www.401k.com</a>

**Group Insurance Beneficiary Designation**

The beneficiary designation below is for all Company group insurance benefits including Basic Term Life/AD&D, Voluntary AD&D, Optional Life and Business Travel Accident. (This form is not for retirement benefits.)

To be completed by the location human resources designee:

Location Name: \_\_\_\_\_ Location Number: \_\_\_\_\_

To be completed by the Employee:

Employee Name (print): \_\_\_\_\_ Employee ID#: \_\_\_\_\_

I hereby name the following person(s) as my beneficiary for Company group insurance benefits under which I am covered. This designation of beneficiary supersedes any made previously.

Primary Beneficiary*					
Name and Address	Gender	Relationship	Social Security #	Birthdate (MM/DD/YYYY)	% of Benefit
John Sample 123 Any Street Anytown, Anystate 45678	M	Spouse	123-45-6789	01/01/1970	100%
Total =					100%

\*May designate more than one primary beneficiary.

Contingent Beneficiary*					
Name and Address	Gender	Relationship	Social Security #	Birthdate (MM/DD/YYYY)	% of Benefit
Joey Sample 123 Any Street Anytown, Anystate 45678	M	Son	234-56-7890	01/01/2000	50%
Emily Sample 123 Any Street Anytown, Anystate 45678	F	Daughter	345-67-8901	01/01/2002	50%
Total =					100%

\*May designate more than one contingent beneficiary.

Note: The employee is automatically the beneficiary of any optional spouse, child life or family voluntary accidental death or dismemberment insurance.

Employee Signature: \_\_\_\_\_ Date of Signature: \_\_\_\_\_

Human Resources Designee Signature: \_\_\_\_\_ Date of Signature: \_\_\_\_\_

Original Group Insurance Beneficiary Designation Form is to be kept on file at the Employee's work location.





*This guide provides highlights of the Benefits Link program. Because it is a highlight, the plan documents and policies will govern if there is any conflict or inconsistency between this summary and the official plan documents. The benefits described in this guide are intended to be continued. However, HCR Manor Care may amend, modify, suspend, change or terminate any of the plans at any time.*