EXPLANATION OF BENEFITS*

*(*These benefits and procedures are subject to change at the sole discretion of Workforce Connections, Inc.)*

GROUP INSURANCE COVERAGES

WCI offers a comprehensive suite of group insurance benefits to eligible regular employees. Participation is optional, and coverage becomes available following two months of continuous employment.

- **Health Insurance**– WCI contributes 80% of the monthly premium for Single, Employee + Spouse, Employee + Child, or Family plans under the employer-sponsored health insurance plan. Employees are responsible for the remaining premium, which is deducted through pre-tax payroll unless the employee waives this option.
- **Health Reimbursement Arrangement (HRA)** – Available to employees enrolled in WCI's group health insurance. The HRA assists with deductible and coinsurance-related expenses. Employees are responsible for a portion of their deductible and out-of-pocket costs, after which WCI contributes up to the full deductible amount.
- **Life Insurance** – WCI pays 100% of premiums for group life insurance coverage up to $100,000, including dependent coverage up to $2,000 and spousal coverage up to $5,000. Coverage equals twice the employee's annual salary, rounded to the nearest $1,000, up to a maximum of $75,000. For employees over age 65, the maximum is $7,500. IRS regulations require premiums in excess of $50,000 to be treated as taxable income.
- **Dental** – WCI pays 100% of the premium for employee-only coverage or 90% for Employee + Spouse, Employee + Children, or Family coverage. Any employee contribution is deducted through pre-tax payroll unless they are waived.
- **Vision**- WCI pays 100% of the premium for employee-only coverage or 90% for dependent and spouse coverage. Employee contributions are handled through pre-tax payroll deductions unless waived.
- **Short Term Disability**-WCI provides employer-paid short-term disability insurance for eligible employees regularly scheduled to work 30 or more hours per week. The plan provides income replacement equal to 70% of eligible earnings, up to a maximum benefit of $1,500 per week, for approved qualifying disabilities. Benefits begin on the fifteenth (15th) day of disability and may continue for up to eleven (11) weeks. Coverage is administered through Principal and is subject to policy provisions, medical certification requirements, and carrier approval.
- **Long-Term Disability** – WCI provides employer-paid long-term disability insurance for eligible employees regularly scheduled to work 30 or more hours per week. Long-term disability coverage provides income replacement equal to 60% of eligible earnings, up to the maximum benefit established under the policy, for approved qualifying disabilities that extend beyond the short-term disability period. Coverage is administered through Principal and is subject to policy provisions, medical certification requirements, and carrier approval.

Note: Employees who opt out of a specific group benefit are not entitled to apply WCI's contribution toward other coverages.

If an employee is medically denied coverage by the group insurance carrier, WCI will reimburse the cost of alternative coverage obtained independently, up to the equivalent corporate contribution amount. Documentation of coverage and cost is required.

SECTION 125 (CAFETERIA) PLAN

WCI offers an IRS Section 125 Plan, allowing employees to set aside pre-tax wages for qualified expenses such as insurance premiums, unreimbursed medical expenses, and dependent care. Participation is annual and governed by IRS rules. Any unused funds at the end of the benefit period are forfeited.

Eligibility begins the first of the month after two months of continuous employment for staff working 30+ hours per week or 1,000+ hours per year.

HEALTH SAVINGS ACCOUNT (HSA)

Employees enrolled in WCI's group health insurance are eligible to participate in the employer-funded Health Reimbursement Arrangement (HRA). The HRA helps offset eligible deductible and coinsurance expenses under the health plan. Employees are responsible for the applicable portion of their deductible and out-of-pocket expenses before HRA reimbursement begins. Eligible expenses are reimbursed in accordance with the terms of the HRA Plan Document. Unused HRA funds remain the property of WCI and are not payable upon separation from employment.

HEALTH REIMBURSEMENT ARRANGEMENT (HRA)

Available to employees enrolled in WCI's group health insurance. The employer-funded HRA helps offset eligible deductible and coinsurance expenses under the health plan. Employees are responsible for the applicable portion of their deductible and out-of-pocket costs before HRA reimbursement begins. Eligible expenses are reimbursed in accordance with the terms of the HRA Plan Document.

PENSION/ RETIREMENT

WCI contributes a percentage of each eligible employee's gross wages into a SEP retirement account. Employees must be 21 years or older and have two years of continuous service. Employees are fully vested upon their first contribution.

Length of Service	Percent Of Gross Salary
2– 5 years	7%
6 - 15 years	8%
16-25 years	9%
>25 years	10%

403(b) TAX SHELTERED ANNUITY

WCI offers employees the opportunity to participate in a voluntary 403(b) Tax-Sheltered Annuity Plan. Employees who choose to participate may contribute pre-tax earnings through payroll deduction, subject to annual IRS contribution limits. Employees are responsible for ensuring their contributions do not exceed applicable IRS limits.

EMPLOYEE ASSISTANCE PROGRAM

EAP services are available through Gundersen Health System.