2017-2018

Employee Benefits Overview

Benefits That Fit

PSG Pro Specialties Group Inc.

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Statement of Material Modifications

This benefit guide constitutes a Summary of Material Modifications (SMM) to the Pro Specialties Group, Inc. Health Plan. It is meant to supplement and/or replace certain information in the SPD, so retain it for future reference along with your SPD. Please share these materials with your covered family members.

Medicare Part D Notice: If you (and/or your dependents) have Medicare or will become eligible for Medicare in the next 12 months, a federal law gives you more choices about your prescription drug coverage. Please see the Annual Notices on pages 15 - 16 for more details.

Benefits That Fit

At Pro Specialties Group, Inc., we believe that you, our employees, are our most important asset. Helping you and your families achieve and maintain good health—physical, emotional and financial—is the reason Pro Specialties Group, Inc. offers you this benefits program. We are providing you with this overview to help you understand the benefits that are available to you and how to best use them. Please review it carefully and make sure to ask about any important issues that are not addressed here. A list of plan contacts is provided at the back of this summary.

While we've made every effort to make sure that this guide is comprehensive, it cannot provide a complete description of all benefit provisions. For more detailed information, please refer to your plan benefit booklets or summary plan descriptions (SPDs). The plan benefit booklets determine how all benefits are paid.

The benefits in this summary are effective:

September 1, 2017 - August 31, 2018

DISCLAIMER: This document is intended as a quick reference, not a comprehensive description. Limitations and exclusions can be found in the official plan documents. In case of any discrepancies, the official plan documents will govern.

Eligibility & Enrollment

Who Is Eligible?

Pro Specialties Group, Inc. defines “Full-Time Benefit Eligible” employees as those regularly scheduled to work 30 or more hours per week.

When Can I Enroll?

EMPLOYEES – MEDICAL: First of the Month Following 60 days of active employment.

EMPLOYEES – ALL OTHER BENEFITS: First of the Month Following 90 days of active employment.

DEPENDENTS: Are eligible to enroll on the employee’s eligibility date or within 30 days of experiencing a “qualifying life event.”

Who Can I Enroll?

You can enroll the following family members in our medical and dental plans.

- Your spouse / domestic partner (as defined by CA Law)
- Your children (including your Domestic Partner’s children):
  - Under the age of 26 are eligible to enroll in medical coverage. They do not have to live with you or be enrolled in school. They can be married and/or living and working on their own.
  - Over age 26 ONLY if they are incapacitated due to a disability and primarily dependent on you for support.
  - Named in a Qualified Medical Child Support Order (QMCSO) as defined by federal law.

What Happens if I Waive Coverage?

If an eligible employee waives coverage in the benefits being offered, they will be forfeiting their eligibility, and will not be able to enroll until the next open enrollment period unless you experience a “qualifying life event.”

How Do I Waive Coverage?

If an eligible employee chooses not to enroll in any of the benefits being offered, please complete and sign the “Waive Coverage” section on the Benefit Election Form.

What Is The Cost Of Coverage?

As an eligible employee, Pro Specialties Group, Inc. pays the majority of the health coverage cost for benefit eligible employees and 100% of the cost for employee Basic Life and AD&D Insurance and Long-Term Disability.

What Is A Qualifying Life Event?

In order to change coverage elections under the health insurance plan outside of the annual open enrollment period, the employee must have experienced a “qualifying life event.”

Examples of qualifying life events include (but are not limited) to:

- Marriage, legal separation, or divorce
- Birth or adoption of a child
- An over-age dependent is no longer eligible
- Retirement or termination of employment
- Death of a spouse/domestic partner or child
- Change in employment status (such as losing a job or becoming employed)
- Loss or Gain of Coverage

You have 30 days to make your change so make sure to notify the Human Resources Department right away if you have a “qualifying life event” and need to make a change (add or drop) to your coverage election.

Making the Most of Your Benefits Program

Helping you and your family members stay healthy and making sure you use your benefits program to its best advantage is our goal in offering this program. Here are a few things to keep in mind.

Stay Well

Harder than it sounds, of course, but many health problems are avoidable. Take action—from eating well, to getting enough exercise and sleep. Taking care of yourself takes care of a lot of potential problems.

Ask Questions and Stay Informed

Know and understand your options before you decide on a course of treatment. Informed patients get better care. Ask for a second opinion if you're at all concerned.

Get a Primary Care Provider

Having a relationship with a PCP gives you a trusted person who knows your unique situation when you're having a health issue. Visit your PCP or clinic for non-emergency healthcare.

Going to the Doctor

To get the most out of your doctor visit, being organized and having a plan helps. Bring the following with you:

- Your plan ID card
- A list of your current medications
- A list of what you want to talk about with your doctor

If you need a medication, you could save money by asking your doctor if there are generics or generic alternatives for your specific medication.

An Apple a Day

Eating moderately and well really does help keep the doctor away. Stay away from fat-heavy, processed foods and instead focus on whole grains, vegetables, and lean meats to be the healthiest you can be.

Using the Emergency Room

Did you know most ER visits are unnecessary? Use them only in a true emergency—like any situation where life, limb, and vision are threatened. Otherwise, call your doctor, your nurse line, or go to an Urgent Care clinic. You'll save a lot of money and time.

Be Med Wise

Always follow your doctor's and pharmacist's instructions when taking medications. You can worsen your condition(s) by not taking your medication or by skipping doses. If your medication is making you feel worse, contact your doctor.

Medical

Medical coverage provides you with benefits that help keep you healthy like preventive care screenings and access to urgent care. It also provides important financial protection if you have a serious medical condition. Pro Specialties Group, Inc. gives you a choice between two medical plans, an HMO managed by Kaiser Permanente and an HMO managed by Sharp.

	Kaiser Permanente HMO	Sharp Medical HMO
	In-Network	In-Network
Annual Deductible	None	None
Annual Out-of-Pocket Max	$4,000 per individual* $8,000 family limit*	$2,000 per individual $4,000 family limit
Lifetime Max	Unlimited	Unlimited
Office Visit Primary Provider Specialist	 **$15 copay** $40 copay	 $20 copay $40 copay
Preventive Services	No charge*	No charge*
Lab and X-ray	Complex Imaging: $150 copay Lab: $20 copay / X-ray: $40 copay	Complex Imaging: $100 copay Lab / X-ray: No charge
Inpatient Hospitalization	$290 copay per day, up to 5 days per admission*	$1,000 per admission
Outpatient Surgery	$290 copay	$500 copay
Urgent Care	**$15 copay**	$40 copay
Emergency Room	$150 copay (waived if admitted)	$150 copay (waived if admitted)
Retail Pharmacy		
Generic	$5 copay*	$15 copay*
Preferred Brand	$15 copay*	$35 copay*
Non-Preferred Brand	$15 copay* (when approved through exception process)	$50 copay*
Supply Limit	Up to 30 days	Up to 30 days
Mail Order Pharmacy		
Generic	$10 copay*	$30 copay*
Preferred Brand	$30 copay*	$70 copay*
Non-Preferred Brand	$30 copay* (when approved through exception process)	$100 copay*
Supply Limit	Up to 100 days	Up to 90 days

*Limitations apply see benefit plan summaries.

Find a Kaiser Provider:

- Go to: **https://healthy.kaiserpermanente.org/** and click on “Find doctors & locations”
- Choose an area for your search, enter your Zip Code and Distance or City
- Narrow your search by Physician name of facility
- Click “Search” and your results will be displayed

Find a Sharp Provider:

- Go to: **https://www.sharp.com/** and click on “Find a Doctor” and then on “Find a Primary Care Doctor”
- Enter a zip code and additional criteria to narrow your search
- Click on “View my results” and your results will be displayed

Sharp Tools & Resources

Your health and wellness is very important to us. Having the tools and knowledge to help educate yourself and your family on maintaining a healthy lifestyle or choosing to improve your health by making lifestyle changes is now at a click of a mouse. To access Best Health from Sharp and the free tools and resources regarding your health and wellness, logon to: **https://www.sharphealthplan.com/**.

FollowMyHealth

A secure, personal and easy way to manage your health care – and the care of your loved ones – online or on the go!

Best Health

Offers you comprehensive resources to plan, track, and follow a customized health and fitness plan. With a vast database of recipes, exercise plans, and Wellness Workshops, you can choose the tools that work for your own healthy lifestyle.

One-on-One Health Coaching

During a 30-minute phone session, Sharp Health Plan members can work with a Best Health coach who will address your needs and help you make a positive change. Best Health Coaching offers six week programs in five areas.

Wellness Discounts

Wellness Product Discounts include 15 to 40 percent off suggested retail prices on more than 2,400 health and wellness products, vitamins, herbal supplements, health-related books, fitness products, and skincare items. As well as 25 percent off standard rates for credentialed network providers such as: chiropractors, acupuncturists, massage therapists, and dieticians.

MinuteClinic

At Sharp Health Plan, they know that your healthcare needs happen 24/7. That's why they make connecting you to the information you need simple, accessible, and personal. They work with MinuteClinic to bring you convenience and access while offering quality care at an affordable cost.

Wellpartner Mail Order Pharmacy

Using Wellpartner frees you from long waits and unnecessary trips to the drug store. You have the flexibility to order online, by phone, by mail, from home, or any location. Enrollment is easy, and their hassle-free service delivers anywhere in the U.S. Your prescriptions are always delivered promptly. Most orders ship the same day they're placed, so your medications should arrive within four to seven business days.

Order a 90-day supply of your maintenance drugs and pay two copayments instead of three that you would pay filling it at a Retail Pharmacy.

Global Emergency Services

As part of your policy with Sharp Health Plan, you have a unique global emergency services program through Assist America. This program immediately connects you to doctors, hospitals, pharmacies, and other services when faced with a medical emergency while traveling 100 miles or more away from your permanent residence or abroad.

One simple phone call to Assist America and you will get connected to:

- A global network of pre-qualified medical providers
- A state-of-the-art operations center with worldwide response capabilities
- Experienced crisis management professionals
- Air and ground ambulance service providers

Assist America completely arranges and pays for all Key Assistance Services it provides without limits on the covered cost. This alleviates many of the obstacles and potential expenses that can be caused by medical emergencies away from home.

Key Assistance Services include:

- Medical consultation, evaluation & referral
- Hospital admission guarantee
- Emergency medical evacuation
- Critical care monitoring
- Medical repatriation
- Prescription Assistance
- & MORE!

*See program flyer for Conditions & Exclusions.

Assist America
Global Emergency Services
(Reference Number 01-AA-SHP-09073)

Toll free inside the U.S.A.
800-872-1414
Outside the U.S.A.
609-986-1234
Or via e-mail:
medservices@assistamerica.com

Kaiser Tools & Resources

Your health and wellness is very important to us. Having the tools and knowledge to help educate yourself and your family on maintaining a healthy lifestyle or choosing to improve your health by making lifestyle changes is now at a click of a mouse. To access free tools and resources available to you through Kaiser Permanente, logon to: **https://healthy.kaiserpermanente.org/**.

Manage Your Care Online

As a Kaiser Permanente member, **https://healthy.kaiserpermanente.org/** is your online gateway to great health. Register online so that you can securely access many time-saving tools for managing your care. Once you've registered, go to your smartphone and download the Kaiser Permanente app. Use your **https://healthy.kaiserpermanente.org/** User ID and Password to activate your app, and you'll be ready to use the secure features anytime, anywhere!

Wellness Programs

Take advantage of Kaiser's wide range of convenient tools to help you stay well, such as Total Health Assessment, Healthy Lifestyle Programs, Wellness Coaching, and Health Classes.

Get Answers to Your Health Questions & More

Information and inspiration are just a click away. Whether you're looking up a specific topic or browsing for ideas, Kaiser Permanente's reference guides and online tools give you many ways to connect to your health.

Member Discounts

Kaiser members get reduced rates on a variety of products and services through ChooseHealthy at **kp.org/choosehealthy**. You'll find reduced rates on:

- Acupuncture
- Massage therapy services
- Gym memberships

You will also get complimentary access to:

- Wellness programs
- Trackers
- Health and wellness library

Meet Ben-IQ

Ben-IQ is a free app that includes much of the information that's included in this overview, but in a place that's always at your fingertips — your smartphone. Ben-IQ is available for Android and iPhone.

Getting Started with Ben-IQ

1. Download and launch the app.
2. Enter your assigned Employer Key: **pro specialties**
3. Read and agree to the Terms and Conditions.

Take a tour of Ben-IQ and review plan summaries, and important contacts like our nurse line and EAP. Store and organize ID cards using your phone's camera, and much more! Be sure to share Ben-IQ with your covered family members too.

Kaiser Permanente & Sharp HMO Child Dental Plans (Children Only)

When you and your dependents enroll in either the Kaiser Permanente or Sharp HMO medical plans, children will also be enrolled in a child dental program. Child dental services is one of the essential health benefits required to be provided in conjunction with your Affordable Care Act (ACA) medical metal plans. The dental benefits highlighted below are available to your children up to age 19 through your respective medical plan.

	Kaiser Permanente (Dental benefits provided by Delta Dental)	Sharp (Dental benefits provided by Access Dental)
	DHMO	**DHMO**
	In-Network	**In-Network**
Calendar Year Deductible	N/A	N/A
Annual PlanOut-of-Pocket Maximum Child Multi-child	 $350 $700	 $350 $700
Waiting Period	None	None
Diagnostic and Preventive Includes Oral evaluation, Bitewing X-rays, Prophylaxis cleaning, Fluoride treatments, Space maintainers, and sealant repair.	No charge	No charge
Periodontics Maintenance Scaling and root planning Surgery – osseous (includes flap entry and closure)	 $30 copay $30 copay $265 copay	$0 - $25 copay (varies by service)
Restorative Fillings – primary or permanent amalgam Composite crowns – resin based one surface anterior Crown - porcelain	 $25 copay $30 copay $300 copay	$0 - $25 copay (varies by service)
Endodontics Therapeutic pulpotomy Root Canal – anterior / molar	 $40 copay $195 copay / $300 copay	$0 - $350 copay (varies by service)
Prosthodontics Complete denture Reline maxillary denture – “Partial”	 $300 copay $60 copay - $90 copay	$0 - $350 copay (varies by service)
Oral and Maxillofacial Surgery Extraction – erupted took or exposed root Surgical removal of erupted tooth	 $65 copay $120 copay	$0 - $350 copay (varies by service)
Orthodontics (Medically Necessary Only)	$350	$0 - $1,000

Dental

Regular visits to your dentist can protect more than your smile; they can help protect your health. Recent studies have linked gum disease to damage elsewhere in the body and dentists are able to screen for oral symptoms of many other diseases including cancer, diabetes, and heart disease. Pro Specialties Group, Inc. gives you a choice between two dental plans managed by United Concordia.

United Concordia (UCCI)

	DHMO	PPO	
	In-Network	**In-Network**	**Out-of-Network**
Calendar Year Deductible (individual/family)	N/A	$50 / $150	$50 / $150 (combined with in-network)
Annual Plan Maximum	Unlimited	$1,500 per individual	$1,500 per individual (combined with in-network)
Waiting Period	N/A	None	None
Diagnostic and Preventive	$0 - $50 copay *	100%	100%
Basic Services			
Fillings	$0 - $140 copay *	90% after deductible	80% after deductible
Root Canals	$0 - $95 copay *	90% after deductible	80% after deductible
Periodontics	$0 - $43 copay *	90% after deductible	80% after deductible
Major Services	$0 - $165 copay *	60% after deductible	50% after deductible
Orthodontic Services			
Orthodontia	$1,500 - $2,000 copay *	Plan pays 50%	Plan pays 50%
Lifetime Maximum	Unlimited	$1,500	$1,500 (combined with in-network)

*Varies by service, see contract for fee schedule.

Helpful Tips:

- Don't forget your dental cleanings!
- If enrolling in the DHMO make sure to retain a copy of the Fee Schedule for your files. Before authorizing any treatment, check the ADA Codes on your treatment plan against those on the Fee Schedule to make sure you are being charged the appropriate copay for the service being provided.
- If enrolling in the PPO make sure to see an in-network provider to get the most out of your dental plan benefits.
- Need major dental work done? Contact your carrier for a pre-treatment estimate. This way you know your share of cost ahead of time.

Find a United Concordia Provider:

- Go to: **https://www.unitedconcordia.com/dental-insurance/** and click on "Find a Dentist"
- Enter your search criteria
- In the "My Network Is" drop down list select:
  - **For the DHMO:** DHMO Concordia Plus General Dentist
  - **For the PPO:** Advantage Plus
- Click on "Show Dentists in My Area" and your search results will be displayed

Vision

Routine vision exams are important, not only for correcting vision problems but because they can detect other serious health conditions.

Pro Specialties Group, Inc. is providing you with the opportunity to enroll in a Voluntary Vision plan through MES Vision.

MES Vision

	PPO	
	In-Network	**Out-Of-Network**
Exam Copay (Every 12 months)	$10 copay	Up to $40 allowance
Material Copay	$25 copay	See allowance schedule below
Lenses* (Every 12 months)		
Single*	Covered after $25 copay	Up to $30 allowance
Bifocal*	Covered after $25 copay	Up to $50 allowance
Trifocal*	Covered after $25 copay	Up to $65 allowance
Frame* (Every 24 months)	$130 allowance plus 20% off balance	Up to $75 allowance
Contact Lenses* (Every 12 months)		
Medically Necessary	Covered in Full	Up to $250 allowance
Elective	Up to $130 allowance plus 20% off balance	Up to $130 allowance

*Limitations apply. See benefit plan summaries.

Signs that you may need an eye exam:

- Sudden blurry vision or problems focusing
- Red, Dry, Itchy eyes
- You see spots, flashes of light, or floaters
- You get motion sick, dizzy or have headaches
- Eye pain or eye fatigue/strain
- Squinting or sensitivity to light

Find a MESVision Provider:

- Go to: **https://www.mesvision.com/homepage.htm**
- Enter your zip code
- Click submit and your search results will be displayed

Life and AD&D Insurance

If you have loved ones who depend on your income for support, having life and accidental death and dismemberment insurance can help protect your family's financial security.

Basic Life & AD&D

Basic Life insurance pays your beneficiary a lump sum in case of your death. AD&D insurance provides another layer of benefits to either you or your beneficiary if you suffer from loss of a limb, speech, sight, or hearing, or in case of your death due to an accident. The cost of coverage is paid in full by Pro Specialties Group Inc. and is provided by CIGNA.

Eligibility	Active, Full-Time employee working a minimum of 30 hours per week, are eligible the first of the month following 3 months of active service.
Basic Life Amount	$25,000
Basic AD&D Amount	$25,000

Beneficiary Reminder: Make sure that you named a beneficiary for your life insurance benefit. It's important to know that many states require that a spouse be named as the beneficiary, unless they sign a waiver.

Disability Insurance

If you become disabled and are not able to work, your financial security may be at risk. Protecting your income stream can provide you and your family with peace of mind.

Long-Term Disability

Long-Term Disability coverage pays you a certain percentage of your income if you can't work because an injury or illness prevents you from performing any of your job functions over a long period of time. It's important to know that benefits are reduced by income from other benefits you might receive while disabled, like workers' compensation and Social Security.

If you qualify, long-term disability benefits begin after short-term disability benefits end. The cost of coverage is paid by Pro Specialties Group, Inc. and coverage is provided by CIGNA.

Eligibility	Active, Full-Time employee working a minimum of 30 hours per week, are eligible the first of the month following 3 months of active service.
Monthly Benefit Amount	Plan pays 66.67% of covered monthly earnings
Maximum Monthly Benefit	$6,000
Benefits Begin After:	
Accident	90 days of disability
Sickness	90 days of disability
Maximum Payment Period*	Age 65 or Social Security Normal Retirement Age in effect under the Social Security Act on the Policy Effective Date.

*The age at which the disability begins may affect the duration of the benefit.

Cigna Value Added Benefits

Health & Wellness Discounts

Get big discounts and special offers on products and services you use every day with the CIGNA Healthy Rewards Program. Save on weight management and nutrition, vision and hearing care, fitness clubs, quitting tobacco programs and more!

Start saving today: **https://www.cigna.com/sites/cignaps-healthy-rewards/login.html** (password: savings)

Will Preparation & Estate Planning

Help protect your and your family's financial future. This simple, online will preparation tool lets you create a customized Will built around your state-specific laws.

Get prepared: **https://cigna.araggroup.com/onlineDocsMVC/index.htm**

- Last Will & Testament
- Living Will
- Health Care Power of Attorney
- Financial Power of Attorney
- Medical Authorization for Minors
- Resources to help with Funeral Planning
- Estate Planning

Identity Theft

Use CIGNA's online tips and prevention kit to help stop identity theft before it happens. If your identity is stolen, CIGNA can help! Just call CIGNA's personal case managers for step-by-step help with everything from identity theft, to credit card fraud, to emergency travel arrangements. Real-time support is available anytime, from anywhere in the world.

Get help: **1-800-226-4567**

Let your case manager know you're in the CIGNA Identity Theft program: Group #57.

Employee Assistance Program

Just when you think you have it figured out, along comes a challenge. But whether those challenges are big or small, your Life Assistance & Work/Life Support Program is available to help you and your family find a solution and restore your peace of mind. You and your household members have three face-to-face counseling sessions available. Call **1-800-538-3543** or visit:

http://www.powerflexweb.com/index.php?idDivision=25&nameDivision=Homepage&idModule=m9050&nameModule=Home for a referral.

Important Plan Notices and Documents

COBRA Initial (General) Notice

Introduction

You're getting this notice because you recently gained coverage under a group health plan (the Plan). This notice has important information about your right to COBRA continuation coverage, which is a temporary extension of coverage under the Plan. **This notice explains COBRA continuation coverage, when it may become available to you and your family, and what you need to do to protect your right to get it.** When you become eligible for COBRA, you may also become eligible for other coverage options that may cost less than COBRA continuation coverage.

The right to COBRA continuation coverage was created by a federal law, the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). COBRA continuation coverage can become available to you and other members of your family when group health coverage would otherwise end. For more information about your rights and obligations under the Plan and under federal law, you should review the Plan's Summary Plan Description or contact the Plan Administrator.

You may have other options available to you when you lose group health coverage. For example, you may be eligible to buy an individual plan through the Health Insurance Marketplace. By enrolling in coverage through the Marketplace, you may qualify for lower costs on your monthly premiums and lower out-of-pocket costs. Additionally, you may qualify for a 30-day special enrollment period for another group health plan for which you are eligible (such as a spouse's plan), even if that plan generally doesn't accept late enrollees.

What is COBRA continuation coverage?

COBRA continuation coverage is a continuation of Plan coverage when it would otherwise end because of a life event. This is also called a "qualifying event." Specific qualifying events are listed later in this notice. After a qualifying event, COBRA continuation coverage must be offered to each person who is a "qualified beneficiary." You, your spouse, and your dependent children could become qualified beneficiaries if coverage under the Plan is lost because of the qualifying event. Under the Plan, qualified beneficiaries who elect COBRA continuation coverage must pay for COBRA continuation coverage.

If you're an employee, you'll become a qualified beneficiary if you lose your coverage under the Plan because of the following qualifying events:

- Your hours of employment are reduced, or
- Your employment ends for any reason other than your gross misconduct.

If you're the spouse of an employee, you'll become a qualified beneficiary if you lose your coverage under the Plan because of the following qualifying events:

- Your spouse dies;
- Your spouse's hours of employment are reduced;
- Your spouse's employment ends for any reason other than his or her gross misconduct;
- Your spouse becomes entitled to Medicare benefits (under Part A, Part B, or both); or
- You become divorced or legally separated from your spouse.

Your dependent children will become qualified beneficiaries if they lose coverage under the Plan because of the following qualifying events:

- The parent-employee dies;
- The parent-employee's hours of employment are reduced;
- The parent-employee's employment ends for any reason other than his or her gross misconduct;
- The parent-employee becomes entitled to Medicare benefits (Part A, Part B, or both);
- The parents become divorced or legally separated; or
- The child stops being eligible for coverage under the Plan as a "dependent child."

When is COBRA continuation coverage available?

The Plan will offer COBRA continuation coverage to qualified beneficiaries only after the Plan Administrator has been notified that a qualifying event has occurred. The employer must notify the Plan Administrator of the following qualifying events:

- The end of employment or reduction of hours of employment;
- Death of the employee;
- The employee's becoming entitled to Medicare benefits (under Part A, Part B, or both).

For all other qualifying events (divorce or legal separation of the employee and spouse or a dependent child's losing eligibility for coverage as a dependent child), you must notify the Plan Administrator within 60 days after the qualifying event occurs. You must provide this notice to selected insurance carrier.

How is COBRA continuation coverage provided?

Once the Plan Administrator receives notice that a qualifying event has occurred, COBRA continuation coverage will be offered to each of the qualified beneficiaries. Each qualified beneficiary will have an independent right to elect COBRA continuation coverage. Covered employees may elect COBRA continuation coverage on behalf of their spouses, and parents may elect COBRA continuation coverage on behalf of their children.

COBRA continuation coverage is a temporary continuation of coverage that generally lasts for 18 months due to employment termination or reduction of hours of work. Certain qualifying events, or a second qualifying event during the initial period of coverage, may permit a beneficiary to receive a maximum of 36 months of coverage.

There are also ways in which this 18-month period of COBRA continuation coverage can be extended:

Disability extension of 18-month period of COBRA continuation coverage

If you or anyone in your family covered under the Plan is determined by Social Security to be disabled and you notify the Plan Administrator in a timely fashion, you and your entire family may be entitled to get up to an additional 11 months of COBRA continuation coverage, for a maximum of 29 months. The disability would have to have started at some time before the 60th day of COBRA continuation coverage and must last at least until the end of the 18-month period of COBRA continuation coverage.

Second qualifying event extension of 18-month period of continuation coverage

If your family experiences another qualifying event during the 18 months of COBRA continuation coverage, the spouse and dependent children in your family can get up to 18 additional months of COBRA continuation coverage, for a maximum of 36 months, if the Plan is properly notified about the second qualifying event. This extension may be available to the spouse and any dependent children getting COBRA continuation coverage if the employee or former employee dies; becomes entitled to Medicare benefits (under Part A, Part B, or both); gets divorced or legally separated; or if the dependent child stops being eligible under the Plan as a dependent child. This extension is only available if the second qualifying event would have caused the spouse or dependent child to lose coverage under the Plan had the first qualifying event not occurred.

Are there other coverage options besides COBRA Continuation Coverage?

Yes. Instead of enrolling in COBRA continuation coverage, there may be other coverage options for you and your family through the Health Insurance Marketplace, Medicaid, or other group health plan coverage options (such as a spouse's plan) through what is called a "special enrollment period." Some of these options may cost less than COBRA continuation coverage. You can learn more about many of these options at **https://www.healthcare.gov/**.

If you have questions

Questions concerning your Plan or your COBRA continuation coverage rights should be addressed to the contact or contacts identified below. For more information about your rights under the Employee Retirement Income Security Act (ERISA), including COBRA, the Patient Protection and Affordable Care Act, and other laws affecting group health plans, contact the nearest Regional or District Office of the U.S. Department of Labor's Employee Benefits Security Administration (EBSA) in your area or visit **https://www.dol.gov/agencies/ebsa**. (Addresses and phone numbers of Regional and District EBSA Offices are available through EBSA's website.) For more information about the Marketplace, visit **https://www.healthcare.gov/**.

Keep your Plan informed of address changes

To protect your family's rights, let the Plan Administrator know about any changes in the addresses of family members. You should also keep a copy, for your records, of any notices you send to the Plan Administrator.

Women's Health and Cancer Rights Annual Notice

The Women's Health and Cancer Rights Act ("WHCRA") requires us to notify participants and beneficiaries of the Group Health Plans (the "Plans"), of their rights to mastectomy benefits under the Plans. Participants and beneficiaries have rights to coverage to be provided in a manner determined in consultation with the attending Physician for:

- All stages of reconstruction of the breast on which the mastectomy was performed;
- Surgery and reconstruction of the other breast to produce a symmetrical appearance;
- Prostheses; and
- Treatment of physical complications of the mastectomy, including lymphedema.

These benefits are subject to the same deductible and co-payments applicable to other medical and surgical benefits provided under these Plans. For further details, please refer to the Plan's Summary Plan Description.

For more information on WHCRA benefits, contact your Plan Administrator.

Newborns' and Mothers' Health Protection Act Notice

Group health plans and health insurance issuers generally may not, under Federal law, restrict benefits for any hospital length of stay in connection with childbirth for the mother or newborn child to less than 48 hours following a vaginal delivery, or less than 96 hours following a cesarean section. However, Federal law generally does not prohibit the mother's or newborn's attending provider, after consulting with the mother, from discharging the mother or her newborn earlier than 48 hours (or 96 hours as applicable). In any case, plans and issuers may not, under Federal law, require that a provider obtain authorization from the plan or the insurance issuer for prescribing a length of stay not in excess of 48 hours (or 96 hours). If you would like more information on maternity benefits, contact your Plan Administrator.

HIPAA Notice of Special Enrollment Rights

If you decline enrollment in the health plans for you or your dependents (including your spouse) because of other health insurance or group health plan coverage, you or your dependents may be able to enroll in our health plans without waiting for the next open enrollment period if you:

- Lose other health insurance or group health plan coverage. You must request enrollment within 30 days after the loss of other coverage.
- Gain a new dependent as a result of marriage, birth, adoption, or placement for adoption. You must request health plan enrollment within 30 days after the marriage, birth, adoption, or placement for adoption.
- Lose Medicaid or Children's Health Insurance Program (CHIP) coverage because you are no longer eligible. You must request medical plan enrollment within 60 days after the loss of such coverage.

If you request a change due to a special enrollment event within the 30 day timeframe, coverage will be effective the date of birth, adoption or placement for adoption. For all other events, coverage will be effective the first of the month following your request for enrollment. In addition, you may enroll in the health plans if you become eligible for a state premium assistance program under Medicaid or CHIP. You must request enrollment within 60 days after you gain eligibility for health plan coverage. If you request this change, coverage will be effective the first of the month following your request for enrollment. Specific restrictions may apply, depending on federal and state law.

Notice of Choice of Providers

An HMO generally requires the designation of a primary care provider. You have the right to designate any primary care provider who participates in the network and who is available to accept you or your family members. Until you make this designation, the health plan designates one for you. For information on how to select a primary care provider, and for a list of the participating primary care providers, contact your Plan Administrator.

For children, you may designate a pediatrician as the primary care provider.

You do not need prior authorization from the health plan or from any other person (including a primary care provider) in order to obtain access to obstetrical or gynecological care from a health care professional in our network who specializes in obstetrics or gynecology. The health care professional, however, may be required to comply with certain procedures, including obtaining prior authorization for certain services, following a pre-approved treatment plan, or procedures for making referrals. For a list of participating healthcare professionals who specialize in obstetrics or gynecology, contact your Plan Administrator.

Michelle's Law Notice

The health plans may extend medical coverage for dependent children if they lose eligibility for coverage because of a medically necessary leave of absence from school. Coverage may continue for up to a year, unless your child's eligibility would end earlier for another reason.

Extended coverage is available if a child's leave of absence from school — or change in school enrollment status (for example, switching from full-time to part-time status) — starts while the child has a serious illness or injury, is medically necessary and otherwise causes eligibility for student coverage under the plan to end. Written certification from the child's physician stating that the child suffers from a serious illness or injury and the leave of absence is medically necessary may be required.

If your child will lose eligibility for coverage because of a medically necessary leave of absence from school and you want his or her coverage to be extended, please contact your plan administrator as soon as the need for the leave is recognized. In addition, contact your child's health plan to see if any state laws requiring extended coverage may apply to his or her benefits.

Medicare Part D Notice

Important Notice About Your Prescription Drug Coverage and Medicare

Please read this notice carefully and keep it where you can find it. This notice has information about your current prescription drug coverage and about your options under Medicare's prescription drug coverage. This information can help you decide whether or not you want to join a Medicare drug plan. If you are considering joining, you should compare your current coverage, including which drugs are covered at what cost, with the coverage and costs of the plans offering Medicare prescription drug coverage in your area. Information about where you can get help to make decisions about your prescription drug coverage is at the end of this notice.

There are two important things you need to know about your current coverage and Medicare's prescription drug coverage:

1. Medicare prescription drug coverage became available in 2006 to everyone with Medicare. You can get this coverage if you join a Medicare Prescription Drug Plan or join a Medicare Advantage Plan (like an HMO or PPO) that offers prescription drug coverage. All Medicare drug plans provide at least a standard level of coverage set by Medicare. Some plans may also offer more coverage for a higher monthly premium.

2. It has been determined that the prescription drug coverage offered by the health plans is, on average for all plan participants, expected to pay out as much as standard Medicare prescription drug coverage pays and is therefore considered Creditable Coverage. Because your existing coverage is Creditable Coverage, you can keep this coverage and not pay a higher premium (a penalty) if you later decide to join a Medicare drug plan.

When Can You Join A Medicare Drug Plan?

You can join a Medicare drug plan when you first become eligible for Medicare and each year from October 15th to December 7th.

However, if you lose your current creditable prescription drug coverage, through no fault of your own, you will also be eligible for a two (2) month Special Enrollment Period (SEP) to join a Medicare drug plan.

What Happens To Your Current Coverage If You Decide to Join A Medicare Drug Plan?

If you decide to join a Medicare drug plan, your current coverage will not be affected. See below for more information about what happens to your current coverage if you join a Medicare drug plan.

Since the existing prescription drug coverage is creditable (e.g., as good as Medicare coverage), you can retain your existing prescription drug coverage and choose not to enroll in a Part D plan; or you can enroll in a Part D plan as a supplement to, or in lieu of, your existing prescription drug coverage.

If you do decide to join a Medicare drug plan and drop your prescription drug coverage, be aware that you and your dependents can only get this coverage back at open enrollment or if you experience an event that gives rise to a HIPAA Special Enrollment Right.

When Will You Pay A Higher Premium (Penalty) To Join A Medicare Drug Plan?

You should also know that if you drop or lose your current coverage and don't join a Medicare drug plan within 63 continuous days after your current coverage ends, you may pay a higher premium (a penalty) to join a Medicare drug plan later.

If you go 63 continuous days or longer without creditable prescription drug coverage, your monthly premium may go up by at least 1% of the Medicare base beneficiary premium per month for every month that you did not have that coverage. For example, if you go nineteen months without creditable coverage, your premium may consistently be at least 19% higher than the Medicare base beneficiary premium. You may have to pay this higher premium (a penalty) as long as you have Medicare prescription drug coverage. In addition, you may have to wait until the following October to join.

For More Information About This Notice Or Your Current Prescription Drug Coverage…

Contact Human Resources for further information. NOTE: You'll get this notice each year. You will also get it before the next period you can join a Medicare drug plan, and if this coverage changes. You also may request a copy of this notice at any time.

For More Information About Your Options Under Medicare Prescription Drug Coverage…

More detailed information about Medicare plans that offer prescription drug coverage is in the "Medicare & You" handbook. You'll get a copy of the handbook in the mail every year from Medicare. You may also be contacted directly by Medicare drug plans.

For more information about Medicare prescription drug coverage:

- Visit **https://www.medicare.gov/**
- Call your State Health Insurance Assistance Program (see the inside back cover of your copy of the "Medicare & You" handbook for their telephone number) for personalized help
- Call 800-MEDICARE (800-633-4227). TTY users should call 877-486-2048.

If you have limited income and resources, extra help paying for Medicare prescription drug coverage is available. For information about this extra help, visit Social Security on the web at **https://www.ssa.gov/**, or call them at 800-772-1213 (TTY 800-325-0778).

Remember: Keep this Creditable Coverage notice. If you decide to join one of the Medicare drug plans, you may be required to provide a copy of this notice when you join to show whether or not you have maintained creditable coverage and, therefore, whether or not you are required to pay a higher premium (a penalty).

Date:	September 1, 2017
Name of Entity/Sender:	Pro Specialties Group, Inc.
Contact-Position/Office:	Human Resources
Address:	4863 Shawline Street, Suite D San Diego, CA 92111
Phone Number:	(858) 614-7163

Premium Assistance Under Medicaid and the Children's Health Insurance Program (CHIP)

If you or your children are eligible for Medicaid or CHIP and you're eligible for health coverage from your employer, your state may have a premium assistance program that can help pay for coverage, using funds from their Medicaid or CHIP programs. If you or your children aren't eligible for Medicaid or CHIP, you won't be eligible for these premium assistance programs but you may be able to buy individual insurance coverage through the Health Insurance Marketplace. For more information, visit **https://www.healthcare.gov/**.

If you or your dependents are already enrolled in Medicaid or CHIP and you live in a State listed below, contact your State Medicaid or CHIP office to find out if premium assistance is available.

If you or your dependents are NOT currently enrolled in Medicaid or CHIP, and you think you or any of your dependents might be eligible for either of these programs, contact your State Medicaid or CHIP office or dial **1-877-KIDS NOW** or **https://www.insurekidsnow.gov/** to find out how to apply. If you qualify, ask your state if it has a program that might help you pay the premiums for an employer-sponsored plan.

If you or your dependents are eligible for premium assistance under Medicaid or CHIP, as well as eligible under your employer plan, your employer must allow you to enroll in your employer plan if you aren't already enrolled. This is called a "special enrollment" opportunity, and **you must request coverage within 60 days of being determined eligible for premium assistance**. If you have questions about enrolling in your employer plan, contact the Department of Labor at **https://www.dol.gov/agencies/ebsa/about-ebsa/ask-a-question/ask-ebsa** or call **1-866-444-EBSA (3272)**.

If you live in one of the following states, you may be eligible for assistance paying your employer health plan premiums. The following list of states is current as of January 31, 2017. Contact your State for more information on eligibility –

ALABAMA – Medicaid
Website: http://www.myalhipp.com
Phone: 1-855-692-5447

ALASKA – Medicaid
The AK Health Insurance Premium Payment Program
Website: http://myakhipp.com/
Phone: 1-866-251-4861
Email: CustomerService@MyAKHIPP.com
Medicaid Eligibility:
http://dhss.alaska.gov/dpa/Pages/medicaid/default.aspx

ARKANSAS – Medicaid
Website: http://myarhipp.com/
Phone: 1-855-MyARHIPP (855-692-7447)

COLORADO – Health First Colorado (Colorado's Medicaid Program) & Child Health Plan Plus (CHP+)
Health First Colorado Website:
https://www.healthfirstcolorado.com/
Health First Colorado Member Contact Center:
1-800-221-3943/ State Relay 711
CHP+: Colorado.gov/HCPF/Child-Health-Plan-Plus
CHP+ Customer Service: 1-800-359-1991/
State Relay 711

FLORIDA – Medicaid
Website: http://flmedicaidtplrecovery.com/hipp/
Phone: 1-877-357-3268

GEORGIA – Medicaid
Website: http://dch.georgia.gov/medicaid
- Click on Health Insurance Premium Payment (HIPP)
Phone: 404-656-4507

INDIANA – Medicaid
Healthy Indiana Plan for low-income adults 19-64
Website: http://www.in.gov/fssa/hip/
Phone: 1-877-438-4479
All other Medicaid
Website: http://www.indianamedicaid.com
Phone 1-800-403-0864

IOWA – Medicaid
Website:
http://dhs.iowa.gov/ime/members/medicaid-a-to-z/hipp
Phone: 1-888-346-9562

KANSAS – Medicaid
Website: http://www.kdheks.gov/hcf/
Phone: 1-785-296-3512

KENTUCKY – Medicaid
Website: http://chfs.ky.gov/dms/default.htm
Phone: 1-800-635-2570

LOUISIANA – Medicaid
Website: http://dhh.louisiana.gov/index.cfm/subhome/1/n/331
Phone: 1-888-695-2447

MAINE – Medicaid
Website: http://www.maine.gov/dhhs/ofi/public-assistance/index.html
Phone: 1-800-442-6003
TTY: Maine relay 711

MASSACHUSETTS – Medicaid and CHIP
Website:
http://www.mass.gov/eohhs/gov/departments/masshealth/
Phone: 1-800-462-1120

MINNESOTA – Medicaid
Website: http://mn.gov/dhs/people-we-serve/seniors/health-care/health-care-programs/programs-and-services/medical-assistance.jsp
Phone: 1-800-657-3739

MISSOURI – Medicaid
Website:
http://www.dss.mo.gov/mhd/participants/pages/hipp.htm
Phone: 573-751-2005

MONTANA – Medicaid
Website:
http://dphhs.mt.gov/MontanaHealthcarePrograms/HIPP
Phone: 1-800-694-3084

NEBRASKA – Medicaid
Website:
http://dhhs.ne.gov/Children_Family_Services/AccessNebraska/Pages/accessnebraska_index.aspx
Phone: 1-855-632-7633

NEVADA – Medicaid
Medicaid Website: https://dwss.nv.gov/
Medicaid Phone: 1-800-992-0900

NEW HAMPSHIRE – Medicaid
Website: http://www.dhhs.nh.gov/oii/documents/hippapp.pdf
Phone: 603-271-5218

NEW JERSEY – Medicaid and CHIP
Medicaid Website:
http://www.state.nj.us/humanservices/dmahs/clients/medicaid/
Medicaid Phone: 609-631-2392
CHIP Website: http://www.njfamilycare.org/index.html
CHIP Phone: 1-800-701-0710

NEW YORK – Medicaid
Website: https://www.health.ny.gov/health_care/medicaid/
Phone: 1-800-541-2831

NORTH CAROLINA – Medicaid
Website: https://dma.ncdhhs.gov/
Phone: 919-855-4100

NORTH DAKOTA – Medicaid
Website:
http://www.nd.gov/dhs/services/medicalserv/medicaid/
Phone: 1-844-854-4825

OKLAHOMA – Medicaid and CHIP
Website: http://www.insureoklahoma.org
Phone: 1-888-365-3742

OREGON – Medicaid
Website: http://healthcare.oregon.gov/Pages/index.aspx
http://www.oregonhealthcare.gov/index-es.html
Phone: 1-800-699-9075

PENNSYLVANIA – Medicaid
Website:http://www.dhs.pa.gov/provider/medicalassistance/healthinsurancepremiumpaymenthippprogram/index.htm
Phone: 1-800-692-7462

RHODE ISLAND – Medicaid
Website: http://www.eohhs.ri.gov/
Phone: 401-462-5300

SOUTH CAROLINA – Medicaid
Website: https://www.scdhhs.gov
Phone: 1-888-549-0820

SOUTH DAKOTA - Medicaid
Website: http://dss.sd.gov
Phone: 1-888-828-0059

TEXAS – Medicaid
Website: http://gethipptexas.com/
Phone: 1-800-440-0493

UTAH – Medicaid and CHIP
Medicaid Website: https://medicaid.utah.gov/
CHIP Website: http://health.utah.gov/chipPhone: 1-877-543-7669

VERMONT– Medicaid
Website: http://www.greenmountaincare.org/
Phone: 1-800-250-8427

VIRGINIA – Medicaid and CHIP
Medicaid Website:
http://www.coverva.org/programs_premium_assistance.cfm
Medicaid Phone: 1-800-432-5924
CHIP Website:
http://www.coverva.org/programs_premium_assistance.cfm
CHIP Phone: 1-855-242-8282

WASHINGTON – Medicaid
Website: http://www.hca.wa.gov/free-or-low-cost-health-care/program-administration/premium-payment-program
Phone: 1-800-562-3022 ext. 15473

WEST VIRGINIA – Medicaid
Website:
http://www.dhhr.wv.gov/bms/Medicaid%20Expansion/Pages/default.aspx
Phone: 1-877-598-5820, HMS Third Party Liability

WISCONSIN – Medicaid and CHIP
Website:
https://www.dhs.wisconsin.gov/publications/p1/p10095.pdf
Phone: 1-800-362-3002

WYOMING – Medicaid
Website: https://wyequalitycare.acs-inc.com/
Phone: 307-777-7531

To see if any other states have added a premium assistance program since January 31, 2017, or for more information on special enrollment rights, contact either:

U.S. Department of Labor
Employee Benefits Security Administration
www.dol.gov/agencies/ebsa
1-866-444-EBSA (3272)

U.S. Department of Health and Human Services
Centers for Medicare & Medicaid Services
www.cms.hhs.gov
1-877-267-2323, Menu Option 4, Ext. 61565

Paperwork Reduction Act Statement

According to the Paperwork Reduction Act of 1995 (Pub. L. 104-13) (PRA), no persons are required to respond to a collection of information unless such collection displays a valid Office of Management and Budget (OMB) control number. The Department notes that a Federal agency cannot conduct or sponsor a collection of information unless it is approved by OMB under the PRA, and displays a currently valid OMB control number, and the public is not required to respond to a collection of information unless it displays a currently valid OMB control number. See 44 U.S.C. 3507. Also, notwithstanding any other provisions of law, no person shall be subject to penalty for failing to comply with a collection of information if the collection of information does not display a currently valid OMB control number. See 44 U.S.C. 3512.

The public reporting burden for this collection of information is estimated to average approximately seven minutes per respondent. Interested parties are encouraged to send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the U.S. Department of Labor, Employee Benefits Security Administration, Office of Policy and Research, Attention: PRA Clearance Officer, 200 Constitution Avenue, N.W., Room N-5718, Washington, DC 20210 or email **ebsa.opr@dol.gov** and reference the OMB Control Number 1210-0137.

OMB Control Number 1210-0137 (expires 12/31/2019)

For Assistance

If you need to reach our plan providers, here is their contact information:

Plan Type	Provider	Phone Number	Website	Policy/Group #
Medical HMO	Sharp Health Plan	800-359-2002	https://www.sharp.com/	513040
Medical HMO	Kaiser Permanente	800-464-4000	https://healthy.kaiserpermanente.org/	227564
Dental DHMO	United Concordia	800-332-0366	https://www.unitedconcordia.com/dental-insurance/	902832-001
Dental PPO	United Concordia	800-332-0366	https://www.unitedconcordia.com/dental-insurance/	902832-000
Vision PPO	MESVision	800-877-6372	https://www.mesvision.com/homepage.htm	TBD
Basic Life/AD&D	CIGNA	800-362-4462	https://www.cigna.com/	SGM604374
Long Term Disability	CIGNA	800-362-4462	https://www.cigna.com/	SDG604391
HUMAN RESOURCES – PRO SPECIALTIES GROUP, INC.				
Alyse Soberanis, HR Manager		858-614-7163	alyseg@psginc.com	
BROKER – ALLIANT INSURANCE SERVICES				
Debby L. Miller, Account Executive		619-849-3778	debby.miller@alliant.com	
Cecilia Iniguez, Account Associate		619-849-3979	cecilia.iniguez@alliant.com	

The information in this brochure is a general outline of the benefits offered under Pro Specialties Group, Inc.’s benefits program. This brochure may not include all relevant limitations and conditions. Specific details and limitations are provided in the plan documents, which may include a Summary Plan Description (SPD), Evidence of Coverage (EOC), and/or insurance policies. The plan documents contain the relevant plan provisions. If the information in this brochure differ from the plan documents, the plan documents will prevail.