Employee Choice for SEIU:
Voluntary Severance and Early Retirement Opportunities
For Eligible KFH/HP SEIU-Represented Employees
Northern California Region
September 16, 2013
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1. General Description and Key Dates

Q1. Why is KFH/HP NCAL offering the Employee Choice for SEIU program?

A1. Kaiser Permanente is working in partnership with SEIU to respond to significant changes in today’s health care environment. There is more competition, lower government reimbursement, and more pressure than ever for health plans to be affordable. Through our work in transforming care delivery, KP is responding to what patients want and need and we are changing how and where we deliver care. We have dramatically improved our overall quality, service, and hospital utilization, and as a result, we have far fewer patients being hospitalized today than in the past.

In this very competitive environment, with many more individuals about to purchase health insurance through the Covered California exchange as part of health care reform, in order to win and keep members, KP must be the best and most affordable health plan that people choose.

To achieve what we need to do to keep KP affordable, we must adjust staffing to align with current hospital census counts, manage our costs, and operate as effectively as possible. As part of this effort, Kaiser Permanente and SEIU are pleased to announce a program to offer SEIU-represented KFH employees who wish to voluntary leave KP generous incentives to help them pursue the next personal or career phase of their lives. Many employees have expressed the desire to take advantage of such opportunities should they become available.

The program offers retirement and severance options for eligible employees, enabling those who wish to leave KP voluntarily, to be able to approach the future on solid footing.

Q2. What is the Employee Choice for SEIU program?

A2. Employee Choice for SEIU program is program that offers voluntary severance and retirement opportunities for eligible KFH/HP SEIU-represented employees in Northern California Kaiser Permanente with a severance payment (based on the number of years worked), at least 12 months of company-paid medical and dental benefits (up to age 65 for those between age 62-64), and a pension enhancement if certain age and service requirements are met.

In addition to the above, if you have at least five years of continuous service as of October 31, 2013, you will receive a fixed amount of $10,000.

Voluntary Severance

Eligibility: Regular full-time or part-time benefited Northern California KFH/HP SEIU employees with a year or more of continuous, regular service as of October
31, 2013. The employee must sign, submit and not revoke a Separation Agreement and General Release.

For eligible employees who wish to voluntarily leave KP to pursue other opportunities, the Employee Choice for SEIU program offers an enhanced severance payment based on a participant’s years of continuous, regular (benefited) service, from a minimum of six (6) weeks to a maximum of fifty-two (52) weeks, and annual base pay.

**Voluntary Full Early Retirement**

*Eligibility:* Regular full-time or part-time benefited Northern California KFH/HP SEIU employees age 62-64, with at least 15 years of pension vesting service as of October 31, 2013. The employee must sign, submit and not revoke a Separation Agreement and General Release.

For eligible employees age 62-64, the Employee Choice for SEIU program offers the opportunity to retire before age 65 with full pension (i.e., no reduction to their pension; it is paid as if the employee is 65). In addition, employees who elect to participate in this program receive Voluntary Severance offerings: medical and dental benefits for a minimum of 12 months or to age 65, plus up to a year’s severance pay, and a $10,000 cash bonus.

**Voluntary Enhanced Early Retirement**

*Eligibility:* Regular full-time or part-time benefited Northern California KFH/HP SEIU employees age 60-61 with at least 15 years of pension vesting service as of October 31, 2013. The employee must sign, submit and not revoke a Separation Agreement and General Release.

For eligible employees age 60-61, the Employee Choice for SEIU program offers the opportunity to retire before age 65 with 90 percent pension (a 10 to 15 percent increase over what people of this age would normally receive). In addition, employees who elect to participate in this program also receive Voluntary Severance offerings: medical and dental benefits for 30 months, plus up to a year’s severance pay, and a $10,000 cash bonus.

To qualify for the Employee Choice for SEIU, employees must:
1) Be covered under entity KFH/HP;
2) Have at least one year of continuous, regular service by 10/31/13**;
3) Be on active status or on leave, and in a regular (benefited) full-time or part-time status as of 10/31/13;
4) Agree to voluntarily terminate employment by the designated date;
5) Sign, submit and not revoke a Separation Agreement and General Release; and
6) Agree to release all employment-related claims against Kaiser Permanente. (See exclusions on page 7).
Employees – Frequently Asked Questions
Employee Choice for SEIU-Represented KFH/HP Employees
For Internal Use – Not for External Distribution

**A “Year of Service” for purposes of these extended medical and dental benefits is any calendar year in which you were compensated for at least 1,000 hours.

Q3. Is there a pension enhancement for employees age 65 and older?
A3. No. Employees age 65 or older are already eligible for a full pension provided they are vested in the pension program.

Q4. Where can I find more information about the program?
A4. KFH/HP SEIU-represented employees eligible for the program were sent an introduction to the Employee Choice for SEIU program by U.S. mail to their home addresses on September 16, 2013. In addition, eligible employees will receive a package by U.S. mail to their home addresses with program details and a link to an online application on the My HR portal. You must complete and submit the application between September 25 and October 15, 2013.

Q5. Where can I call to learn more about the program?
A5. To learn more about the Employee Choice for SEIU program, call the Phone Support line beginning Wednesday, September 11, 2013, at 1-510-873-5000, Monday – Friday, 7 a.m. – 7 p.m. Leave a message after hours or on weekends.

If you are eligible for one of the retirement offerings and want to learn more about your pension benefits or request a pension retirement package, call the Kaiser Permanente Retirement Center’s (KPRC) dedicated Employee Choice phone support line at 1-800-721-2588.

2. Definitions

Q6. How much severance pay is offered with the Employee Choice for SEIU program?
A6. The severance payment offered through the Employee Choice for SEIU program ranges from a minimum of six [6] weeks to a maximum of fifty-two [52] weeks based on a participant’s full years of continuous, regular (benefited) service, and annual base pay. See the Employee Choice for SEIU Summary Plan Description for a chart on severance pay offered through the program.

Q7. What is your “Length of Service”?
A7. Your “Length of Service” for the severance payment schedule is based on your Service Date in My HR — the Human Resources Information System — and the date that you terminate employment. Your Service Date will be the same as your most recent Kaiser Permanente hire date.

Variable severance pay is based on full years (based on your My HR Service Date), and there will be no prorated pay for partial years. If you have already
received any severance benefits for any period of service with KFHP/KFH, in any Region or location, that period of service will not be included for your length of service for variable severance pay.

Variable severance pay will be based on your base salary, or base wage rate, as of October 31, 2013, and will not include premium payments (for example, shift differential, bonuses, or overtime). If you are a full-time employee, your variable severance pay will be based on a 40-hour week. Part-time employees’ variable severance pay will be prorated based on the scheduled hours as of October 31, 2013, indicated in the most recent Human Resources records.

Q8. What is meant by “full early retirement pension benefit”?
A8. A participant in the Employee Choice for SEIU program who is age 62-64 and who meets the eligibility requirements may begin his or her full Kaiser Permanente Employee Pension Plan (KPEPP) or Kaiser Permanente Represented Employee Pension Plan (KPREPP) benefit after termination of employment with a Full Early Retirement Pension Benefit (i.e., you will receive 100 percent of your earned pension even though you are not yet 65).

For example, if you retire through the Employee Choice for SEIU program at age 63 and elect to start your KPEPP or KPREPP (as applicable) pension when you retire, it will not be subject to any early retirement reduction. You will receive 100 percent of your earned KPEPP or KPREPP (as applicable) pension that is normally payable at age 65. For details on this program, see the Employee Choice for SEIU Summary Plan Description. For details on your pension plan, please refer to the KPEPP Summary Plan Description or KPREPP Summary Plan Description.

Note: This pension-related enhancement applies only to earned benefits of KPEPP-KFH or KPREPP-KFH (as applicable). If you have worked under a different pension plan (for example, for TPMG), you may have earned a benefit through another Kaiser Permanente-sponsored pension plan. The Early Retirement eligibility and reduction rules of that plan will still apply to the portion of your pension that was earned under that particular plan.

Q9. What is meant by “enhanced early retirement pension benefit”?
A9. A participant in the Employee Choice for SEIU program who is age 60-61 and who meets the eligibility requirements may begin his or her Kaiser Permanente Employee Pension Plan (KPEPP) or Kaiser Permanente Represented Employee Pension Plan (KPREPP), as applicable, benefit after termination of employment, with an Enhanced Early Retirement reduction factor.

For example, if you retire through the Employee Choice for SEIU program at age 60 or 61 and elect to start your KPEPP or KPREPP (as applicable) pension when you retire, you will have an early retirement factor of 90%. Without the Employee Choice for SEIU program, you would normally get 75% if you retired at age 60 or
80% if you retired at age 61. For details on this program, see the Kaiser Permanente Employee Choice for SEIU-UHW West *Summary Plan Description*. For details on your pension plan, please refer to the KPEPP *Summary Plan Description* or the KPREPP *Summary Plan Description*.

Note: This pension-related enhancement applies only to earned benefits of KPEPP-KFH or KPREPP-KFH (as applicable). If you have worked under a different pension plan (for example, for TPMG), you may have earned a benefit through another Kaiser Permanente-sponsored pension plan. The Early Retirement eligibility and reduction rules of that plan will still apply to the portion of your pension that was earned under that particular plan.

**Q10. What is meant by “severance pay and dental and medical extension”?**

**A10.** The Employee Choice for SEIU program provides enhanced severance pay in addition to at least twelve (12) months of company-paid medical and dental coverage. If you are age 62-64 as of 10/31/13, you are eligible for company-paid medical and dental coverage for a minimum of twelve (12) months or until the end of the month in which you turn age 65, whichever is later. If you are age 60-61 as of 10/31/13, you are eligible for thirty (30) months of company-paid medical and dental coverage, through June 2016. For details on this program, see the Employee Choice for SEIU *Summary Plan Description*. For details on your pension plan, please refer to the Kaiser Permanente Employee Pension Plan (KPEPP) *Summary Plan Description* or Kaiser Permanente Represented Employee Pension Plan (KPREPP) *Summary Plan Description*.

**3. Eligibility**

**Q11. Who is eligible to apply for the Employee Choice for SEIU program?**

**A11.** To qualify for the Employee Choice for SEIU program, employees must:

1) Be covered under entity KFH/HP;
2) Have at least one year of continuous, regular (benefited) service by 10/31/13;
3) Be on active status or on leave, and in a regular (benefited) full-time or part-time status as of 10/31/13;
4) Agree to voluntarily terminate employment by the designated date; and
5) Sign, submit and not revoke a Separation Agreement and General Release; and
6) Agree to release all employment-related claims against Kaiser Permanente.

**Q12. Who is not eligible to apply for the Employee Choice for SEIU program?**

**A12.** There are exclusions as to who is eligible for the Employee Choice for SEIU program. The following groups are excluded from this offer:
SEIU Employees under TPMG
Physicians and Employees of TPMG
Non-NCAL SEIU Employees
KFH/HP Non-Represented Employees
Non-SEIU Represented Employees
KPIT and Program Offices Employees

Q13. Why are TPMG employees not being offered Voluntary Severance Plans?
A13. Together, KFH and TPMG are continuously improving the quality and delivery of care so that patients are staying healthier and staying out of the hospital. The result is that the need for outpatient services is growing at the same time that our hospital census is declining. For that reason, our patients require the services of the current outpatient/TPMG staff in order for us to continue to provide our market leading patient quality and service. Having the current staff in place will be particularly important with the implementation of health care reform, and the increase in membership we are likely to experience.

Q14. I worked in two different locations for a total of 30 years. Am I eligible for the retirement program?
A14. Provided you meet all eligibility requirements, including certain age and service requirement, you are eligible for a pension enhancement. Please note, however, eligibility isn’t currently based on location of employment, but on "length of service", and entity (i.e., KFH/HP). Please refer to “Length of Service” on page 5 of this document and the Employee Choice for SEIU Summary Plan Description for additional information on program eligibility.

Q15. Why are other groups excluded from participating in the Employee Choice for SEIU program?
A15. There are differences between Kaiser Permanente entities (e.g., KFH/HP, TPMG, Program Offices, KPIT, other KP regions) that sometimes result in different programs for employees, based on the unique needs of that entity and region. These offerings are solely for Northern California Region KFH/HP SEIU-represented employees. For all exclusions, see page 7.

Q16. Will the program be offered again?
A16. There are no plans at this time to offer the Employee Choice for SEIU program to KFH/HP SEIU-represented employees again.

4. Application Process

Q17. I’m interested in participating in the Employee Choice for SEIU program. How do I apply?
A17. Eligible employees will receive a package by U.S. mail to their home addresses with program details and a link to an online application on the My HR portal. Using the My HR portal, you must complete and submit the Employee Choice for SEIU application form which will be available **beginning on Wednesday, September 25, 2013.**

**Note:** You have up until **5 p.m., Friday, October 15** to complete and submit an application or withdraw your application from the program. You have only one opportunity to apply and withdraw online.

You can’t apply for the Employee Choice for SEIU program after the 21-day application period has closes.

If you are on a leave of absence, and have access to a computer, please complete and submit the application on the My HR portal, or use the application included in your application package and mail or fax it to the following:

**Employee Choice for SEIU Program**
**Kaiser Permanente Human Resources**
**1950 Franklin St, 15th Floor**
**Oakland, CA 94612**

Fax: 877-515-8136

You are responsible for ensuring that the Employee Choice for SEIU application is postmarked and delivered by **5 p.m., Friday, October 15.** You should obtain and maintain proof of the timely delivery. You will receive an e-mail confirmation of receipt of your application within three (3) business days. Please send an email to **Employee-Choice-Programs@kp.org** if you apply by the deadline, but do not receive a confirmation within this time frame.

Q18. Since completing and submitting an application during the 21-day application period, my contact information (example: home address, email, etc.) has changed. What should I do? Who should I contact?
A18. Please send your full name, KP Employee Identification Number, and new contact information to **Employee-Choice-Programs@kp.org.**

Q19. What happens if I change my mind after I apply and I no longer want to participate in the Employee Choice for SEIU program?
A19. If you’ve completed and submitted the Employee Choice for SEIU application form and change your mind, disregard the severance package. If you’ve signed and submitted the **Severance Agreement and General Release,** you have seven (7) days to complete and submit the revocation form.
Q20. What are the deadlines for the Employee Choice for SEIU program?
A20. Refer to the dates indicated on the Employee Choice Key Dates document found in the application package.

Q21. Will my manager know that I’ve applied?
A21. The decision to participate in the Employee Choice for SEIU program is entirely yours. While you’re not obligated to do so, we encourage you to share your decision with your manager if you decide to apply. Upon the close of the application period, managers will be informed of employees from their department who have applied so that they can begin to plan for transition and coverage.

Q22. On the online application form, I’m asked to provide my manager’s name along with my home address and other personal contact information. Will my manager see this personal information?
A22. No, your manager will not see the application or any information listed in the application.

5. Last Day of Employment

Q23. If I voluntarily participate in the Employee Choice for SEIU program, when is my last day at Kaiser Permanente?
A23. The last day of employment for employees who participate in the Employee Choice for SEIU program is Friday, December 20, 2013.

6. Where to Get More Information

Q24. How can I get more information about the Employee Choice for SEIU program?
A24. Starting on Wednesday, September 11, 2013, employees can call the Employee Choice Phone Support line at 1-510-873-5000 for assistance, Monday through Friday, 7 a.m. through 7 p.m. Voice mail for the phone support line will be monitored on weekends. You can send an email to Employee-Choice-Programs@kp.org or learn more at a WebEx information session. The WebEx session schedule is included in the Applications packet.
7. Severance Pay, Vacation, Employee Incentive Pay, and Unemployment Benefits

Q25. When will I receive my severance pay if I participate in the program?
A25. You can expect to receive a severance cash payment within 21 days of termination, in January 2014. In addition, if you are eligible to receive the $10,000 cash bonus, you will receive a second check paid at that time as well.

Severance cash payments are subject to all applicable federal and state taxes, including the special supplemental wage tax withholding rate.

Note: Severance payments will not be included as part of your compensation for any purpose under any other benefits plans, programs, or policies, including determining employee or employer contributions to the tax-deferred retirement savings plans or for calculating pension benefits.

Q26. In addition to severance pay, am I eligible for an additional separation cash bonus?
A26. As a participant in the Employee Choice for SEIU program, if you have at least five (5) years of continuous, regular service, you will receive a cash bonus of $10,000, less all applicable federal and state taxes, including the special supplemental wage tax withholding rate, in addition to the separation pay described above.

You will receive this Separation Bonus no later than 21 days following your termination of employment, in January 2014.

Note: The Separation Bonus will not be included as part of your compensation for determining employee or employer contributions to any other benefits plans, programs, or policies. These payments will not be included for pension calculation purposes or in the determination of employer or employee contributions for the tax-deferred retirement savings plans.

Q27. How will participating in the Employee Choice for SEIU program impact any future vacation time that my manager has approved?
A27. This should not affect previously approved vacation time that falls before your last day of employment. However, it is expected that every employee will do what is needed to transition his or her work smoothly and adhere to all job expectations during this time.

Q28. What happens to all of my unused vacation time?
A28. On your last day of employment, you will receive a payout of all unused vacation time. Vacation hours will be paid in your final wages.
Q29. What happens to all of my unused sick leave?
A29. Your pre-2006 sick leave hours will be converted to credited service. Post-2005 hours will be converted at eighty (80) percent value and deposited your Healthcare Reimbursement Account (HRA). Refer to the Employee Choice for SEIU Summary Plan Description for further details.

Q30. What happens to my Extended Sick Leave (ESL)? Do they convert to the Healthcare Reimbursement Account (HRA)?
A30. Pre-2010 Extended Sick Leave hours are converted to credited service. Post-2009 hours are converted at eighty [80] percent of value and deposited into your Healthcare Reimbursement Account.

Q31. If there is a 2013 Performance Sharing Program (PSP) payout in 2014, and I leave under this program, will I be eligible?
A31. If the Northern California Region achieves the required financial, quality and service goals, and you retired under the provisions of this program, you would be eligible to receive a pro-rated PSP payment, in March 2014, adjusted by the number of hours you worked in 2013. Employees terminating under the Voluntary Severance provision only, who are not retirement eligible, are not eligible for a PSP payout.

Q32. Will I be eligible for unemployment insurance benefits if I participate in the Employee Choice for SEIU program?
A32. For unemployment insurance benefits information, see the California Employment Development Department’s website at www.edd.ca.gov.

8. Retirement and Pension Benefits

Q33. How can I get an estimate of what my pension benefits will be if I choose to participate in the Employee Choice for SEIU program?
A33. If you are eligible for early retirement under the Employee Choice for SEIU program, or if you are age 65 or older as of October 31, 2013, the Kaiser Permanente Retirement Center (KPRC) will mail an estimate of your pension benefits to your home on September 25, 2013 The pension estimate will assume you elect to have your benefits begin as soon as all retirement paper work is submitted and processed following your date of termination. If you are eligible to receive pension benefits from TPMG or other Kaiser Permanente-sponsored pension plan, you can expect to receive these pension estimates by October 4, 2013. For more information, you may contact the Kaiser Permanente Retirement Center at the dedicated Employee Choice for SEIU support line at 1-800-721-2588, or visit www.ibenefitcenter.com/kp.
Q34. When will my benefits under the Employee Choice for SEIU program begin?
A34. If you are eligible for early retirement under the Employee Choice for SEIU program, or if you are age 65 or older as of October 31, 2013, you must contact the Kaiser Permanente Retirement Center (KPRC) to initiate benefits. The earliest benefit commencement effective date is the first of the month following your last day of employment. Pension payments will begin as soon as all retirement paperwork is submitted and processed.

Q35. If I retire under the Employee Choice for SEIU program, am I required to start my pension benefit?
A35. No, you do not have to start your benefit immediately. When you are ready to receive your pension benefits, you should call the KPRC to request a pension retirement package. You will be able to elect your commencement date using the forms included in the package. The KPRC will be available to accept requests for pension retirement packages after September 25, 2013.

Q36. I’m already age 65 or older, and eligible to retire, so what’s the advantage of this program for me?
A36. The Employee Choice for SEIU program offers you enhanced severance pay and an additional $10,000 lump sum payment, less all applicable federal and state taxes, including the special supplemental wage tax withholding rate, if you meet the lump sum benefit eligibility requirements. If you are eligible to retire, but not eligible for post-retirement medical benefits, you also receive one (1) year of company-paid medical and dental benefits. If you are eligible for post-retirement medical benefits, but not for post-retirement dental benefits, you will receive one (1) year of company-paid dental benefits.

Q37. I understand if I participate in the Employee Choice for SEIU program and commence my Enhanced Early Retirement Benefit at age 61, I will receive a 90 percent retirement factor. When I turn 65, will my pension factor increase to 100 percent?
A37. No, the retirement benefit will remain at 90 percent because you elected to commence your benefits prior to age 65.

Q38. Is the Employee Choice for SEIU program application the same application needed to start my pension benefits?
A38. No, they are two different applications. Completing and submitting the Employee Choice for SEIU application will initiate voluntary severance offerings. Completing and submitting the pension retirement package will initiate your pension benefits.

Q39. How can I start my pension benefits?
A39. When you are ready to start receiving your pension benefits, you must call the Kaiser Permanente Retirement Center’s (KPRC) dedicated Employee Choice for
SEIU phone support line at 1-800-721-2588 and request a pension retirement package. The retirement package will explain how to elect your start date as well as how to elect your preferred form of payment using the forms included in the package. The pension retirement package contains a Forms of Payment section, which describes the payment options available to you under the terms of the Plan.

Q40. If my last day of employment is December 20, 2013, do my pension benefits begin in January 2014?
A40. No, your benefits don’t automatically begin in January 2014. Pension payments will begin as soon as all retirement paperwork is submitted and processed, typically between 90 – 120 days. To request a pension retirement package, call the KPRC’s dedicated Employee Choice for SEIU phone support line at 1-800-721-2588.

Q41. How can I find out what my pension will be?
A41. You will receive a personalized pension estimate in the mail on September 25, 2013. Please note that the estimate of your retirement benefits will not be available before that time. If you are eligible to receive pension benefits from TPMG or other Kaiser Permanente-sponsored pension plan, you can expect to receive these pension estimates on October 4, 2013.

Q42. Do the pension-related enhancements of the Employee Choice for SEIU program apply only to the Kaiser Permanente Employee Pension Plan and the Kaiser Permanente Represented Employee Pension Plan?
A42. Yes. These pension-related enhancements apply only to earned benefits while participating in the Kaiser Permanente Employee Pension Plan (KPEPP-KFH) or the Kaiser Permanente Represented Employee Pension Plan (KPREPP-KFH). Please note that this enhancement applies only to earned benefits of KPEPP-KFH or KPREPP-KFH, as applicable. If you have worked under a different pension plan (for example, in a non-union position, or for TPMG), you may have earned a benefit through another Kaiser Permanente-sponsored pension plan. You can expect to receive these pension estimates on October 4, 2013. The Early Retirement eligibility and reduction rules of that plan will still apply to the portion of your pension that was earned under that particular plan.

Q43. How will my defined contribution plan be affected by my participation in the Employee Choice for SEIU program?
A43. If you participate in an employer-sponsored defined contribution plan (Kaiser Permanente Employee Pension Plan – Supplemental Retirement Income Plan [SRIP], Kaiser Permanente Represented Employee Pension Plan – Supplemental Retirement Income Plan [SRIP] or the Kaiser Permanente 401(k) Retirement Plan [KP401K]), your contributions and any employer contributions to the plan will stop on your last day of employment. For more information on SRIP and KP401K distributions after termination, please refer to the Summary Plan Description, or call Vanguard at 1-800-523-1188.
Q44. If I am an eligible employee to participate in the program, am I responsible to pay for any portion of Medicare coverage?

A44. Kaiser Permanente does not require or provide reimbursement for Medicare Part B. Medicare requires you to enroll within eight (8) months of your employment last day of employment, December 20, 2013. For more information, visit www.medicare.gov.

9. Medical and Dental Benefits

Q45. Under the Employee Choice for SEIU program, will I receive the same medical and dental benefits as I have today?

A45. Employee Choice for SEIU provides you and your currently enrolled dependents with medical and dental coverage, effective the first of the month after you leave Kaiser Foundation Hospitals/Kaiser Foundation Health Plan.

- **A45a.** For SEIU members who participate in the traditional benefits program, you will receive medical and dental benefits equivalent to your current medical and dental benefits.

- **A45b.** For registered dietitians who participate in the Benefits by Design flexible benefits program, Employee Choice for SEIU medical coverage will be equivalent to the Kaiser Employee Medical Health Plan Mid Option currently offered to active KFH/HP employees, and dental coverage will be equivalent to Delta Dental Basic plan offered to active employees.

   If you participate in Benefits by Design and have been receiving medical benefits under the High Option or PPO plan, or if you have been receiving dental benefits under the Delta Dental Comprehensive Dental Plan, you will receive a COBRA notice of your eligibility to continue that level of coverage entirely at your own expense. The extended coverage under the severance incentive program will not pay any of the COBRA continuation coverage premiums.

   For more information for A45a. and A45b., please refer to the Employee Choice for SEIU Summary Plan Description (SPD).

Kaiser Foundation Hospitals/Kaiser Foundation Health Plan reserves the right to change or modify the medical and dental benefit coverage levels based on changes that occur to active coverage and retiree plans.

Q46. What happens to my medical coverage after age 65?

A46. For employees with less than fifteen (15) years of service, you won’t be eligible for KP post-retiree medical coverage, but will be eligible for Medicare at...
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age 65. For employees with 15 years or more of pension vesting service, you are eligible to receive the KP post-retiree medical coverage.

Q47. Will my spouse or domestic partner, and eligible dependent children be covered under my extended medical and dental benefits offered through the KP Employee Choice for SEIU program?
A47. If you were covered under the medical and/or dental plan as of your date of termination, yes, these benefits cover you, your spouse or domestic partner, and eligible dependent children (as defined under your current employer-sponsored medical and/or dental plan, as applicable). See your current medical plan Summary Plan Description for more information.

Q48. Will I be eligible for COBRA when the medical and dental benefits end?
A49. Yes. Once your medical and dental benefits under the Employee Choice for SEIU program expire, you will be eligible to continue coverage through COBRA. Please refer to your medical plan Summary Plan Description for more information about COBRA.

Q49. I am currently enrolled in the Alternative Compensation Program (ACP). Am I eligible for continued medical and dental benefits under the Employee Choice for SEIU program?
A49. No. You have to be currently active in the plan to be eligible to receive Employee Choice for SEIU medical and dental benefits.

Q50. What can I expect as I transition to the medical and dental benefits program offered through Employee Choice for SEIU?
A50. As a participant in the Employee Choice for SEIU program, your medical and dental coverage will move from the plan offered to active KFH/HP SEIU-represented employees to the one designed for the severance program. When this occurs, you may receive a government-mandated COBRA notice about your loss of coverage through the active program.

If you participate in the Benefits by Design flexible benefits program, Employee Choice for SEIU medical coverage will be equivalent to the Kaiser Employee Medical Health Plan Mid Option currently offered to active KFH/HP employees, and dental coverage will be equivalent to Delta Dental Basic plan offered to active employees. If you participate in the traditional benefits program, you will receive medical and dental benefits equivalent to your current medical and dental benefits. For details on these plans, please refer to the medical and dental plan Summary Plan Descriptions on My HR.

After your coverage through the severance program expires, you will receive another COBRA notice, which you will need to complete if you wish to continue medical and dental benefits.
Q51. When will my medical and dental benefits under the Employee Choice for SEIU program begin?
A51. Your medical and dental severance benefits will begin the first of the month following the last day of employment. Your active medical and dental benefits will continue until the end of the month that you terminate. As your active coverage ends, you may experience a slight delay as you transition from active benefits to severance coverage.

10. Life Insurance, Disability, and Health Care Spending Accounts

Q52. What happens to my other employer-paid benefits, such as life insurance and disability coverage?
A52. Your employer-paid life insurance and any Accidental Death and Dismemberment insurance will end on your date of termination.

If you are disabled in an active or inactive status before your last day of employment, you may receive long-term disability plan benefits beyond the date of termination in accordance with the terms of the plan. You do not release your right to these benefits as a participant in the Employee Choice for SEIU program.

Q53. What happens to my Health Care Spending Account and/or Dependent Care Spending Account when I leave Kaiser Permanente?
A53. You may continue to file spending account claims for expenses incurred in 2013 before your termination. In addition, you may continue to participate in the Health Care Spending Account through COBRA; however, your contribution will be made on an after-tax basis, so you won’t realize any tax savings. For more information on COBRA coverage, see your Summary Plan Description.

If you have a balance in your spending account when your employment ends, you may continue to submit claims until March 31, 2014 for expenses incurred during your employment in 2013. Any funds that cannot be reimbursed for qualified expenses will be forfeited to the plan.

11. Future KP Employment

Q54. If an employee participates in the program, will he or she be able to return to Kaiser Permanente as an employee, consultant or contractor?
A54. If you sign and submit the Severance Agreement and General Release and do not revoke within seven (7) days of signing it, you may not be rehired by Kaiser Permanente for two (2) years after the date of termination. This rehire restriction applies to Kaiser Foundation Health Plan, Inc., Kaiser Foundation Hospitals, The Permanente Medical Group, Inc., or any other employer or Region

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within the Kaiser Permanente Medical Care Program. Following termination you
also may not work for compensation as or through an independent contractor,
subcontractor, or consultant at any Kaiser Permanente entity (including regions
outside of Northern California) within two (2) years of your last day of
employment. Restrictions may be waived by the senior vice president of Human
Resources. See the Summary Plan Description for further details.

12. Where to Get More Information

Q55. Is there a resource available to help me navigate the process?
A57. Beginning on Wednesday, September 11, 2013, you can call the Employee
Choice phone support line at 1-510-873-5000 for questions about the program.
You can email questions to Employee-Choice-Programs@kp.org. Refer to the Key
Contacts document found in the Application package.

Legal Disclaimer
These FAQs are provided as a courtesy to assist you with understanding your
benefits and rights from the Employee Choice for SEIU program (the “Plan”). In
the event of any conflict between the FAQs and the written terms the Plan, the
terms of the Plan will apply.

Your employer reserves the right to amend, edit, revise change, eliminate, or
terminate the Plan at any time and for any reason.

You should carefully review all information you receive concerning the Employee
Choice for SEIU program. We encourage you to consult with your financial and/or
legal advisers before making any decisions involving the program.