



Employee Benefits Annual Notification Package

Effective January 1, 2012 – December 31, 2012



S.W. Rodgers Company, Inc. Health Care Reform Required Notice

We are required to provide you with following notice, to conform with recent health care reform legislation (Patient Protection and Affordable Care Act of 2010, coupled with the Reconciliation Act of 2010). We encourage all employees to read this notice carefully.

Notice of Grandfathered Status

S.W. Rodgers Company, Inc. believes that the S.W. Rodgers Company, Inc. Health Plan is considered to be a “grandfathered health plan” under the Patient Protection and Affordable Care Act (the Affordable Care Act). As permitted by the Affordable Care Act, a grandfathered health plan can preserve certain basic health coverage that was already in effect when that law was enacted. Being a grandfathered health plan means that your health plan may not include certain consumer protections of the Affordable Care Act that apply to other plans; for example, the requirement that out-of-network emergency services be covered at the same level as in-network emergency services.. However, grandfathered health plans must comply with certain other consumer protections in the Affordable Care Act; for example, the elimination of lifetime limits on benefits.

Questions regarding which protections apply and which protections do not apply to a grandfathered health plan and what might cause a plan to change from grandfathered health plan status can be directed to the plan administrator at Chris Butler, Director of HR & Safety Management at (703) 591-8400. You may also contact the Employee Benefits Security Administration, U.S. Department of Labor at 1-866-444-3272 or www.dol.gov/ebsa/healthreform. This website has a table summarizing which protections do and do not apply to grandfathered health plans.

Important Notice from S.W. Rodgers Company, Inc. 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 with S.W. Rodgers Company, Inc. 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. S.W. Rodgers Company, Inc. has determined that the prescription drug coverage offered by the Anthem HSA and PPO plans are, 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 S.W. RODGERS COMPANY, INC. coverage will not be affected. Employees can keep this coverage if they elect part D and this plan will coordinate with Part D coverage.

| Prescription Type | Generic | Preferred Brand | Non-Preferred Brand |
|-------------------|---------|-----------------|----------------------------|
| Retail | \$10 | \$30 | \$50 or 20% to \$200 max. |
| Mail Order | \$10 | \$60 | \$150 or 20% to \$400 max. |

If you do decide to join a Medicare drug plan and drop your current S.W. RODGERS COMPANY, INC. coverage, be aware that you and your dependents will not be able to get this coverage back.

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 with S.W. RODGERS COMPANY, INC. 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 the person listed below 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 through S.W. RODGERS COMPANY, INC. 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 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 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

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 www.socialsecurity.gov, or call them at 1-800-772-1213 (TTY 1-800-325-0778).

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: 10/19/2011
 Name of Entity/Sender: S.W. Rodgers Company, Inc.
 Contact: Chris Butler
 Address: 5816 Wellington Road
 PO Box 398
 Gainesville, VA 20156
 Phone Number: (703) 401-5352

Women’s Health and Cancer Rights Act of 1998

In October 1998, Congress enacted the Women’s Health and Cancer Rights Act of 1998. This notice explains some important provisions of the Act. Please review this information carefully.

As specified in the Women’s Health and Cancer Rights Act, a plan participant or beneficiary who elects breast reconstruction in connection with a covered mastectomy is also entitled to the following benefits:

- 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; and
- Prostheses and treatment of physical complications of the mastectomy, including lymphedemas.

Health plans must provide coverage of mastectomy-related benefits in a manner determined in consultation with the attending physician and the patient. Coverage for breast reconstruction and related services may be subject to deductibles and coinsurance amounts that are consistent with those that apply to other benefits under this plan. Please call your Plan Administrator for more information.

**Medicaid and the Children’s Health Insurance Program (CHIP)
 Offer Free Or Low-Cost Health Coverage To Children And Families**

If you are eligible for health coverage from your employer, but are unable to afford the premiums, some States have premium assistance programs that can help pay for coverage. These States use funds from their Medicaid or CHIP programs to help people who are eligible for employer-sponsored health coverage, but need assistance in paying their health premiums.

If you or your dependents are already enrolled in Medicaid or CHIP and you live in a State listed below, you can 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, you can contact your State Medicaid or CHIP office or dial **1-877-KIDS NOW** or www.insurekidsnow.gov to find out how to apply. If you qualify, you can ask the State if it has a program that might help you pay the premiums for an employer-sponsored plan.

Once it is determined that you or your dependents are eligible for premium assistance under Medicaid or CHIP, your employer’s health plan is required to permit you and your dependents to enroll in the plan – as long as you and your dependents are eligible, but not already enrolled in the employer’s plan. This is called a “special enrollment” opportunity, and **you must request coverage within 60 days of being determined eligible for premium assistance.**

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| <p>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, 2011. You should contact your State for further information on eligibility – ALABAMA – Medicaid</p> | <p>CALIFORNIA – Medicaid</p> |
| <p>Website: http://www.medicaid.alabama.gov Phone: 1-800-362-1504</p> | <p>Website: http://www.dhcs.ca.gov/services/Pages/TPLRD_CAU_cont.aspx Phone: 1-866-298-8443</p> |

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| ALASKA – Medicaid | COLORADO – Medicaid and CHIP |
| Website: http://health.hss.state.ak.us/dpa/programs/medicaid/ Phone (Outside of Anchorage): 1-888-318-8890 Phone (Anchorage): 907-269-6529 | Medicaid Website: http://www.colorado.gov/ Medicaid Phone (In state): 1-800-866-3513 Medicaid Phone (Out of state): 1-800-221-3943 CHIP Website: http:// www.CHPplus.org CHIP Phone: 303-866-3243 |
| ARIZONA – CHIP | |
| Website: http://www.azahcccs.gov/applicants/default.aspx Phone (Outside of Maricopa County): 1-877-764-5437 Phone (Maricopa County): 602-417-5437 | |
| ARKANSAS – CHIP | FLORIDA – Medicaid |
| Website: http://www.arkidsfirst.com/ Phone: 1-888-474-8275 | Website: http://www.fdhc.state.fl.us/Medicaid/index.shtml Phone: 1-877-357-3268 |
| GEORGIA – Medicaid | MISSOURI – Medicaid |
| Website: http://dch.georgia.gov/ Click on Programs, then Medicaid Phone: 1-800-869-1150 | Website: http://www.dss.mo.gov/mhd/participants/pages/hipp.htm Phone: 573-751-2005 |
| IDAHO – Medicaid and CHIP | MONTANA – Medicaid |
| Medicaid Website: www.accesstohealthinsurance.idaho.gov Medicaid Phone: 1-800-926-2588 CHIP Website: www.medicaid.idaho.gov CHIP Phone: 1-800-926-2588 | Website: http://medicaidprovider.hhs.mt.gov/clientpages/clientindex.shtml Phone: 1-800-694-3084 |
| INDIANA – Medicaid | NEBRASKA – Medicaid |
| Website: http://www.in.gov/fssa Phone: 1-800-889-9948 | Website: http://www.dhhs.ne.gov/med/medindex.htm Phone: 1-877-255-3092 |
| IOWA – Medicaid | NEVADA – Medicaid and CHIP |
| Website: www.dhs.state.ia.us/hipp/ Phone: 1-888-346-9562 | Medicaid Website: http://dwss.nv.gov/ Medicaid Phone: 1-800-992-0900 CHIP Website: http://www.nevadacheckup.nv.org/ CHIP Phone: 1-877-543-7669 |
| KANSAS – Medicaid | |
| Website: https://www.khpa.ks.gov Phone: 1-800-792-4884 | |
| KENTUCKY – Medicaid | NEW HAMPSHIRE – Medicaid |
| Website: http://chfs.ky.gov/dms/default.htm Phone: 1-800-635-2570 | Website: www.dhhs.nh.gov/ombp/index.htm Phone: 603-271-4238 |
| LOUISIANA – Medicaid | NEW JERSEY – Medicaid and CHIP |
| Website: http://www.lahipp.dhh.louisiana.gov Phone: 1-888-342-6207 | Medicaid Website: http://www.state.nj.us/humanservices/dmahs/clients/medicaid/ Medicaid Phone: 1-800-356-1561 CHIP Website: http://www.njfamilycare.org/index.html CHIP Phone: 1-800-701-0710 |
| MAINE – Medicaid | |
| Website: http://www.maine.gov/dhhs/OIAS/public-assistance/index.html Phone: 1-800-321-5557 | |
| MASSACHUSETTS – Medicaid and CHIP | NEW MEXICO – Medicaid and CHIP |
| Medicaid & CHIP Website: http://www.mass.gov/MassHealth Medicaid & CHIP Phone: 1-800-462-1120 | Medicaid Website: http://www.hsd.state.nm.us/mad/index.html Medicaid Phone: 1-888-997-2583 CHIP Website: http://www.hsd.state.nm.us/mad/index.html Click on Insure New Mexico CHIP Phone: 1-888-997-2583 |
| MINNESOTA – Medicaid | |
| Website: http://www.dhs.state.mn.us/ Click on Health Care, then Medical Assistance Phone (Outside of Twin City area): 800-657-3739 Phone (Twin City area): 651-431-2670 | |

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| 3 NEW YORK – Medicaid | TEXAS – Medicaid |
| Website: http://www.nyhealth.gov/health_care/medicaid/ Phone: 1-800-541-2831 | Website: https://www.gethipptexas.com/ Phone: 1-800-440-0493 |
| NORTH CAROLINA – Medicaid | UTAH – Medicaid |
| Website: http://www.nc.gov Phone: 919-855-4100 | Website: http://health.utah.gov/upp Phone: 1-866-435-7414 |
| NORTH DAKOTA – Medicaid | VERMONT– Medicaid |
| Website: http://www.nd.gov/dhs/services/medicalserv/medicaid/ Phone: 1-800-755-2604 | Website: http://www.greenmountaincare.org/ Phone: 1-800-250-8427 |
| OKLAHOMA – Medicaid | VIRGINIA – Medicaid and CHIP |
| Website: http://www.insureoklahoma.org Phone: 1-888-365-3742 | Medicaid Website: http://www.dmas.virginia.gov/rcp-IPP.htm H Medicaid Phone: 1-800-432-5924 CHIP Website: http://www.famis.org/ CHIP Phone: 1-866-873-2647 |
| OREGON – Medicaid and CHIP | WASHINGTON – Medicaid |
| Medicaid & CHIP Website: http://www.oregonhealthykids.gov Medicaid & CHIP Phone: 1-877-314-5678 | Website: http://hrsa.dshs.wa.gov/premiumpymt/Apply.shtm Phone: 1-800-562-3022 ext. 15473 |
| PENNSYLVANIA – Medicaid | WEST VIRGINIA – Medicaid |
| Website: http://www.dpw.state.pa.us/partnersproviders/medicalassistance/doingbusiness/003670053.htm Phone: 1-800-644-7730 | Website: http://www.wvrecovery.com/hipp.htm Phone: 304-342-1604 |
| RHODE ISLAND – Medicaid | WISCONSIN – Medicaid |
| Website: www.dhs.ri.gov Phone: 401-462-5300 | Website: http://www.badgercareplus.org/pubs/p-10095.htm Phone: 1-800-362-3002 |
| SOUTH CAROLINA – Medicaid | WYOMING – Medicaid |
| Website: http://www.scdhhs.gov Phone: 1-888-549-0820 | Website: http://www.health.wyo.gov/healthcarefin/index.html Phone: 307-777-7531 |

To see if any more States have added a premium assistance program since January 31, 2011, or for more information on special enrollment rights, you can contact either:

U.S. Department of Labor U.S. Department of Health and Human Services
Employee Benefits Security Administration Centers for Medicare & Medicaid Services

www.dol.gov/ebsa www.cms.hhs.gov

1-866-444-EBSA (3272) 1-877-267-2323, Ext. 61565

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