



Dear Pennybyrn Employees:

Please find attached information regarding our benefit programs, including Annual Required Notices, and changes that will be happening with our medical insurance for the year 2019.

We are very fortunate Pennybyrn has a self-funded medical insurance plan, which means we get to create a customized plan that is tailored to our employees' needs. It also means that Pennybyrn is directly responsible for paying for all claims and costs out of pocket, and we assume the risk of a good or bad year for these costs.

Our annual renewal comes each October and we examine the plan's performance. Unfortunately, we had another high cost claims year that went well over our budget. Although we decided not to pass these costs onto employees, we truly need to get this rising cost under control or we will have to consider an increase in premiums, deductibles, and a potential impact to annual raises.

We need your help to keep these costs down. During our review, we found a large number of employees are not receiving recommended medical screenings or annual wellness screenings. These are all free benefits and are the easiest way to prevent serious health issues.

In order to keep us all as healthy as possible, we are implementing a **Wellness Program beginning January 1, 2019**, in which all medical insurance members will be required to receive the free screenings.

We will also implement a **Personal Care Management program (PCM)** in which Medcost will privately monitor individuals for risks of serious health issues. Those who are identified will be required to join a free, confidential program for educational and health guidance purposes.

These programs will be beneficial for your health and well-being, and help in lowering total healthcare cost. The benefits far outweigh any negatives. **We believe this so much that we are making participation mandatory, and those who do not comply will receive a higher premium rate after a one year grace period.** Please see attached Question & Answer page for more details.

We also realized another free benefit is being under-utilized, and that is the **TELADOC program**. Imagine not having to physically go to the Doctor's office ever again for common ailments like allergies, colds, sinuses, strep, infections, etc. You can do that with the TELADOC program and it's **FREE!** You can set up a telephone or facetime appointment with a board-certified Doctor who can diagnose, treat, and prescribe medications all within minutes of talking with you. There is **no co-pay** and you don't have to leave your house. Those of us who have tried it, love it, and we want to be sure everyone has the opportunity to use TELADOC. Every medical insurance member and their dependents are eligible to use it. Please see attached flyer for TELADOC.

Our wish is for the very best in health and well-being for every one of you and we hope these changes will be one small step in making that a reality.

Thank you!

Kristie Catlin

Director of Human Resources