

# 2021

## Benefit Highlights





The company provides an extensive benefits package to help you and your covered dependents. Selecting the right benefits provides comfort knowing that you are covered in the event of an unexpected illness or injury. All full-time employees (at or above 30 hours per week) and all major part-time employees (between 20-29 hours per week) are eligible to enroll in benefits the first of the month following your date of hire. If you are hired on the first of the month, eligibility is that same day.

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# Medical – United Healthcare

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.

	HSA Medical Plan	Base Medical Plan
	In-Network	In-Network
<b>Network</b>	Choice Plus	
<b>Annual Deductible</b>	\$2,800 per individual \$5,600 per family	\$1,500 per individual \$4,500 per family
<b>Annual Out-of-Pocket Max</b>	\$5,000 per individual, up to \$10,000 per family	\$5,000 per individual, up to \$12,700 per family
<b>Lifetime Max</b>	Unlimited	Unlimited
<b>Office Visit</b>		
Primary Provider/Mental Health Provider	Plan pays 80% after deductible	\$30 copay
Premium Care Specialist	Plan pays 80% after deductible	\$30 copay
Specialist	Plan pays 80% after deductible	\$50 copay
<b>Virtual Visit</b>	Plan pays 80% after deductible	\$30 copay
<b>Urgent Care</b>	Plan pays 80% after deductible	\$50 copay
<b>Preventive Services</b>	No charge	No charge
<b>Chiropractic Care</b>	Plan pays 80% after deductible	100% after you pay a \$50 Copayment per visit Airrosti Providers: 100% after \$15 copayment
<b>Lab and X-ray</b>	Plan pays 80% after deductible	Plan pays 80% after deductible
For Preventive Lab, X-Ray and Diagnostics, refer to the Preventive Care Services category.		In network Laboratory and Radiology Services in physician office billed with a physician office visit charge are covered at 100% after the \$30 PCP or \$50 specialist copay
Diagnostic Test		In network Laboratory and Radiology Services in physician office without a physician office visit charge are covered at 100% deductible does not apply
Imaging (CT/PET scans, MRI's)		In network independent & outpatient facility are covered at 80%, deductible does not apply
<b>Inpatient Hospitalization</b>	Plan pays 80% after deductible	Plan pays 80% after deductible
<b>Outpatient Surgery</b>	Plan pays 80% after deductible	Plan pays 80% after deductible
		In network Outpatient Surgery in a physician office billed with a physician office visit charge are covered at 100% after the \$30 PCP or \$50 specialist copay
<b>Emergency Room</b>	Plan pays 80% after deductible	\$250 copay (waived if admitted)

This guide highlights some of the main features of your benefit programs, but does not include all plan rules, features, limitations, or exclusions. The terms of your benefit plans are governed by legal documents, including insurance contracts. Should there be any inconsistencies between this book and the legal plan documents, the plan documents are the final authority.

# Prescription Drugs



Prescription drug coverage provides a benefit that is important to your overall health, whether you need a prescription for a short-term health issue like bronchitis or an ongoing condition like high blood pressure. Here are the prescription drug benefits that are included with our medical plans.

	HSA Medical Plan	Base Medical Plan
	In-Network	In-Network
<b>Prescription Drug Deductible</b>	\$0	\$0
<b>Pharmacy</b>		
Tier 1	Plan pays 80% after deductible	\$15 copay
Tier 2	Plan pays 80% after deductible	\$30 copay
Tier 3	Plan pays 80% after deductible	\$50 copay
Supply Limit	up to a 31-day supply	up to a 31-day supply
<b>Mail Order</b>		
Tier 1	Plan pays 80% after deductible	\$30 copay
Tier 2	Plan pays 80% after deductible	\$60 copay
Tier 3	Plan pays 80% after deductible	\$100 copay
Supply Limit	up to a 90-day supply	up to a 90-day supply

# Health Savings Account (HSA)



Do you want to save money on taxes? A Health Savings Account is a tax-advantaged, portable (you own it!) savings account that is offered through Optum Bank if you enroll in our HSA Medical plan through United Healthcare (UHC).

You and ERCOT contribute pre-tax money to your account to save for eligible out-of-pocket expenses. Any money that you don't spend grows year after year and can be used in the future, even after you retire. Optum Bank administers this account.

## ACCOUNT CONTRIBUTIONS

	ERCOT Contributes**	2021 IRS Calendar Year Maximum*
<b>Employee</b>	Up to \$1,100 per individual per calendar year	\$3,600
<b>Employee + Spouse, Child(ren), Family</b>	Up to \$2,200 per family per calendar year	\$7,200

\*Employee contributions may be in any amount and any frequency, however, they may not exceed the IRS calendar year maximum amounts shown in the table above. Employees age 55 and older are allowed an optional \$1,000 additional annual contribution. ERCOT's contributions and employee contributions both apply to the IRS calendar year maximum limit.

\*\*For employees hired throughout the year, ERCOT's HSA contributions will be prorated for the remaining number of pay periods left in the year based on the effective date of coverage.

## USING YOUR MONEY

You can use your account to pay for qualified medical expenses that are not paid for by your high deductible health plan (HDHP). In general, your HSA can be used for these expenses:

- Medically necessary expenses that are not covered by your health plan including deductibles and coinsurance
- Dental care services
- Vision care services
- Prescription drugs
- Over-the-counter (OTC) medications
- Certain medical equipment

When possible, use your HSA debit card to pay for expenses. If you need reimbursement, visit [optumbank.com](http://optumbank.com). Make sure that you keep records of your receipts and any OTC prescriptions in case the IRS requests them.

## NON-QUALIFIED EXPENSES

If you use HSA funds for non-qualified expenses before age 65, you will owe a 20% penalty tax PLUS income tax on the withdrawal. After age 65, if you use HSA funds for non-qualified expenses, you will owe income tax only. Visit [www.irs.gov/publications/p502](http://www.irs.gov/publications/p502) for details.

## ELIGIBILITY

You are not eligible to open or contribute to an HSA account if you are:

- Covered by a non-high deductible health plan
- Enrolled in a regular healthcare flexible spending account (you or your spouse count)
- Covered under Medicare, Medicaid or Tricare
- Someone else's tax dependent

# Flexible Spending Account (FSA)



A Flexible Spending Account lets you set aside money—before it's taxed—through payroll deductions. The money can be used for eligible healthcare and dependent day care expenses you and your family expect to have over the next year. The main benefit of using an FSA is that you reduce your taxable income, which means you have more money to spend. And reimbursements from your FSA accounts are tax-free. The catch is that you have to use the money in your account by our plan year's end. Otherwise, that money is lost, so plan carefully. You must re-enroll in this program each year. Employee Benefits Corporation (EBC) administers this program.

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## IMPORTANT CONSIDERATIONS

- There's no "crossover" spending allowed between the healthcare and dependent care accounts.
- Expenses must be incurred between 01/01/2021 and 03/15/2022 and submitted no later than 03/31/2022.
- Elections cannot be changed during the plan year, unless you have a qualified change in family status (and the election change must be consistent with the event).
- FSA funds can be used for eligible expenses incurred by you, your spouse, and your tax dependents only. Your spouse or tax dependent children do not have to be covered on the ERCOT health plan.
- You cannot obtain reimbursement for eligible expenses for a domestic partner or their children, unless they qualify as your tax dependents (Important: questions about the tax status of your dependents should be addressed with your tax advisor).
- Keep your receipts as proof that your expenses were eligible for IRS purposes.

## TAX-FREE HEALTHCARE FSA

Eligible expenses include medical, dental, and vision costs including plan deductibles, copays, coinsurance amounts, and other non-covered healthcare costs for you and your tax dependents. You may access your entire annual election from the first day of the plan year and you can set aside up to \$2,750 per year.

## TAX-FREE DEPENDENT CARE FSA

Eligible expenses may include daycare centers, in-home child care, and before or after school care for your dependent children under age 13. Other individuals may qualify if they are your tax dependent and are incapable of self-care. It is important to note that you can access money only after it is placed into your dependent care FSA account.

All caregivers must have a tax ID or Social Security number. This information must be included on your federal tax return. If you use the dependent care reimbursement account, the IRS will not allow you to claim a dependent care credit for reimbursed expenses. Consult your tax advisor to determine whether you should enroll in this plan. You can set aside up to \$5,000 per household for eligible dependent care expenses for the year.

# Dental - Cigna



Regular visits to your dentists 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.

ERCOT provides you with comprehensive dental coverage through Cigna.

	Plan 1	Plan 2
	In-Network	In-Network
<b>Network</b>	Total Cigna DPPO	
<b>Calendar Year Deductible</b>	\$50 per individual, up to \$150 per family (combined with out-of-network)	\$50 per individual, up to \$150 per family (combined with out-of-network)
<b>Annual Plan Maximum</b>	\$1,250 (combined with out-of-network)	\$2,000 (combined with out-of-network)
<b>Diagnostic and Preventive</b>	No charge (2 per calendar year)	No charge (2 per calendar year)
<b>Basic Services</b>		
Fillings	Plan pays 80% after deductible	Plan pays 80% after deductible
Root Canals	Plan pays 80% after deductible	Plan pays 80% after deductible
Periodontics	Plan pays 80% after deductible	Plan pays 80% after deductible
<b>Major Services</b>	Plan pays 50% after deductible	Plan pays 50% after deductible
<b>Orthodontic Services</b>		
Orthodontia	Not Covered	Plan pays 50% after deductible
Lifetime Maximum	Not Covered	\$1,500 (combined with out-of-network)
Covers	Not Covered	Dependent Children and Adults

# Vision - VSP



Routine vision exams can not only correct vision, but also detect more serious health conditions. ERCOT offers a vision plan through Vision Service Plan (VSP).

## VSP Vision

	In-Network	Out-Of-Network
<b>Network</b>	VSP Signature	
<b>Examination</b>		
Benefit	\$20 copay	Reimbursed up to \$50
Frequency	1 per calendar year	1 per calendar year
<b>Materials</b>	\$25 copay	Reimbursed up to \$70
<b>Eyeglass Lenses</b>		
Single Vision Lens	No charge after applicable copay	Reimbursed up to \$50
Bifocal Lens	No charge after applicable copay	Reimbursed up to \$75
Trifocal Lens	No charge after applicable copay	Reimbursed up to \$100
Frequency	1 per calendar year	1 per calendar year
<b>Frames</b>		
Benefit	Coverage limited to: \$170 for featured brands \$150 for all other brands \$80 Costco frame allowance 20% savings on the amount over your allowance	Reimbursed up to \$70
Frequency	1 per calendar year	1 per calendar year
<b>Contacts (Elective)</b>		
Benefit	Coverage limited to \$150	Reimbursed up to \$105
Frequency	1 per calendar year (In lieu of lenses and frames)	1 per calendar year (In lieu of lenses and frames)

# Life Insurance - Unum



If you have loved ones who depend on your income for support, having life and accidental death insurance can help protect your family's financial security and pay for large expenses such as housing and education, as well as day-to-day living expenses.

## LIFE AND AD&D

Basic Life Insurance pays your beneficiary a lump sum if you die. AD&D provides another layer of benefits to either you or your beneficiary if you suffer from loss of a limb, speech, sight, or hearing, or if you die in an accident. The cost of coverage is paid in full by the company. Coverage is provided by Unum.

<b>Basic Life Amount</b>	1x pay up to a maximum of \$400,000
<b>Basic AD&amp;D Amount</b>	1x pay up to a maximum of \$400,000

## VOLUNTARY LIFE

Voluntary Life Insurance allows you to purchase additional life insurance to protect your family's financial security. Coverage is provided by Unum.

<b>Voluntary Employee Life Amount</b>	Employee may elect in increments of \$1,000 up to \$500,000 Guarantee Issue \$400,000
<b>Voluntary Spouse Life Amount</b>	Employee may elect spousal coverage in increments of \$1,000 up to the lesser of 100% of employee amount or \$500,000 Guarantee Issue \$100,000
<b>Voluntary Child(ren) Life Amount</b>	To age 6 months: \$500 6 months to age 26: Employee may elect in increments of \$1,000 to a maximum of \$10,000 Guarantee Issue \$10,000

## VOLUNTARY AD&D

Voluntary AD&D Insurance allows you to purchase additional accidental death and dismemberment insurance to protect your family's financial security in case you suffer from loss of a limb, speech, sight or hearing or if you die in an accident. Coverage is provided by Unum.

<b>Voluntary Employee AD&amp;D Amount</b>	Employee may elect in increments of \$1,000 up to \$500,000
<b>Voluntary Spouse AD&amp;D Amount</b>	Employee may elect spousal coverage in increments of \$1,000 up to the lesser of 100% of employee amount or \$500,000
<b>Voluntary Child(ren) AD&amp;D Amount</b>	To age 6 months: \$500 6 months to age 26: Employee may elect in increments of \$1,000 to a maximum of \$10,000

**Beneficiary Reminder:** Make sure that you have 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.

**Evidence of Insurability:** If you select a coverage amount above a certain limit, you will need to submit an Evidence of Insurability form with additional information about your health in order for the insurance company to approve this higher amount of coverage.

**Taxes:** A life insurance benefit of \$50,000 or more is a taxable benefit. You will see the value of the benefit included in your taxable income on your paycheck and W-2.

# Disability Insurance - Unum



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

## SHORT-TERM DISABILITY INSURANCE

Short-Term Disability (STD) coverage pays you a benefit if you temporarily can't work because of an injury, illness, or maternity leave. Benefits may be reduced by income from other income sources such as paid time off. Your doctor and the insurance company will work together to determine how long benefits are payable, based on your condition. Coverage is provided by Unum.

<b>Weekly Benefit Amount</b> <b>&lt;1 year of service</b>	Plan pays 60%
<b>Weekly Benefit Amount</b> <b>1-2 years of service</b>	Plan pays 70%
<b>Weekly Benefit Amount</b> <b>2-3 years of service</b>	Plan pays 80%
<b>Weekly Benefit Amount</b> <b>3-4 years of service</b>	Plan pays 90%
<b>Weekly Benefit Amount</b> <b>4+ years of service</b>	Plan pays 100%
<b>Benefits Begin After:</b>	
Accident	7 calendar days of disability
Sickness	7 calendar days of disability
<b>Maximum Payment Period*</b>	26 weeks

\*Maximum payment period is based on the first day you are disabled, not when benefits begin.

## LONG-TERM DISABILITY INSURANCE

Long-Term Disability (LTD) 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 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. Coverage is provided by Unum.

<b>Monthly Benefit Amount</b>	Plan pays 60%
<b>Benefits Begin After:</b>	
Accident	182 days of disability
Sickness	182 days of disability
<b>Maximum Payment Period*</b>	To age 65 or SSNRA

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

## Other Programs



### LONG TERM CARE INSURANCE

ERCOT provides you with basic Long Term Care (LTC) coverage. This coverage provides \$1,000 per month at a long term care facility, 60% up to \$600 per month at assisted living facility and 50% up to \$500 per month for professional home care. Employees can purchase additional and extended coverage in increments of \$1,000 up to \$6,000 for themselves, spouses or other family members. Benefits are available for up to 3 years.

Long Term Care insurance pays benefits when a physician certifies that you are unable to perform (without substantial assistance), two of six activities of daily living for at least 90 days, or that you require substantial supervision to protect yourself and others from threats to health or safety due to severe cognitive impairment.

Coverage is provided by Unum. Please refer to the Summary Plan Description for further details.

### EMPLOYEE ASSISTANCE PROGRAM

There are times when everyone needs a little help or advice. The confidential Employee Assistance Program (EAP) through Alliance Work Partners can help you with things like stress, anxiety, depression, chemical dependency, relationship issues, legal issues, parenting questions, financial counseling, and dependent care resources. Best of all, it's free.

Help is available 24/7, 365 days a year by telephone at 1-800-343-3822. Other resources are available online at [awpnow.com](http://awpnow.com).

In-person counseling may also be available, depending on the type of help you need. The program allows you & your family/household members up to 8 visits face-to-face.

### HOSPITAL INSURANCE

Hospital Insurance helps covered employees and their families cope with the financial impacts of a hospitalization.

You can receive benefits when you're admitted to the hospital for a covered accident, illness, or childbirth. The money is paid directly to you – not to a hospital or care provider. The money can also help you pay the out-of-pocket expenses your medical plan may not cover, such as coinsurance, co-pays and deductibles. Unum provides coverage for this program.

### ACCIDENT INSURANCE

If an accident occurs, you may be surprised at how the expenses can add up. Accident Insurance is designed to help you pay for unexpected costs that result from an accidental injury. Accident Insurance includes benefits for a wide range of common injuries such as fractures, dislocations, burns, emergency room or urgent care visit, and physical therapy.

If you or a covered family member suffers an accident, this plan will pay you a lump-sum, tax-free benefit. The amount of money you receive depends on the type and severity of your injury and can be used any way you choose. You may even be eligible for a benefit if you receive a covered Wellness Screening such as blood tests, stress tests, or a chest x-ray. Unum provides coverage for this program.

## CRITICAL ILLNESS INSURANCE

Critical Illness Insurance can help fill a financial gap if you experience a serious illness such as cancer, heart attack or stroke. Upon diagnosis of a covered illness, a lump-sum, tax-free benefit is immediately paid to you.

Benefits can be used to help cover out-of-pocket medical costs like your plan deductible, copays, or related expenses like transportation to and from the hospital, child care, lost income from work or costs associated with adjusting to life following a covered critical illness.

You can cover yourself and your family members if needed. You may even be eligible for a benefit if you receive a covered Wellness Screening such as blood tests, stress tests, or a chest x-ray. Unum provides coverage for this program.

## IDENTITY THEFT PROTECTION

Identity theft is serious. Victims can spend hundreds, even thousands of dollars, and weeks of their own time to repair the damage done to their good names and credit records. The longer identity fraud goes undetected, the more expensive and difficult it becomes to resolve. Some have lost out on job opportunities or been denied loans for education, housing or cars because of negative information on their credit reports. ID Theft Insurance offers protection of your personal information through proactive monitoring, reactive identity restoration, and resolution for an affordable monthly premium. LegalShield provides coverage for this program.

## LEGAL PROGRAM

Do you have an attorney on retainer? Most people don't, so our Legal Program offers you access to legal advice and even representation for an affordable monthly premium. Whether you need assistance reviewing a rental agreement, fighting a traffic ticket, creating a will, buying a house or navigating an IRS audit, Legal Insurance from LegalShield offers reputable attorney assistance for you and your family.

## BRIGHT HORIZONS CARE ADVANTAGE

The Back-Up Care Advantage Program® provides ERCOT families access to convenient high quality back-up care options for children and adult relatives when regular care arrangements break down – up to 15 days per year.

Employees must register and reserve care through Bright Horizons and when care is used, employees pay a small copay of \$15/child per day at a center; or a family rate of \$25/day at a center; or in-home care for up to 3 dependents is \$6 per hour, a 4-hour minimum applies.

ERCOT employees will also have additional options for resources to find local babysitters, nannies, and care companions – as well as care for evenings, weekends, and even pets. Enjoy free, unlimited access to a database of resources – you are responsible for the full cost of all care services chosen and no reimbursement applies.

## 401(k) RETIREMENT SAVINGS

ERCOT offers a 401(k) plan through Fidelity to help employees set aside pre-tax and post-tax dollars for retirement.

Employees may elect pre-tax and/or post-tax salary contributions. Employees who do not make 401(k) elections within 30 days of hire date will be auto-enrolled at a 3% pre-tax deferral and invested in a Target Date Retirement Fund. Employees may contribute up to 99% of their salary each pay period, subject to IRS deferral maximums.

ERCOT currently matches 75% of the employee's contributions up to 6% of pay. In addition, ERCOT currently contributes a fixed non-elective contribution at 10% of salary for all employees (regardless of employee contribution).

### 401(k) Employee Vesting Schedule

#### Company Match Vesting Schedule

<b>Completion of 1 year of employment</b>	20%
<b>Completion of 2 years of employment</b>	40%
<b>Completion of 3 years of employment</b>	60%
<b>Completion of 4 years of employment</b>	80%
<b>Completion of 5 years of employment</b>	100%

#### Fixed Non-Elective Contribution Vesting Schedule

<b>Completion of 1 year of employment</b>	0%
<b>Completion of 2 years of employment</b>	0%
<b>Completion of 3 years of employment</b>	100%

Graystone Consulting is the investment advisor for ERCOT's 401(k) plan.

## TUITION REIMBURSEMENT PLAN

All active full-time employees who have completed six months of service are eligible to receive up to \$5,250 per calendar year to use towards career-enhancing education enrichment.

## HOLIDAYS & PAID TIME OFF

ERCOT paid time off includes Scheduled Holidays, Awarded PTO, Elective PTO, Sick Days, Earned Vacation and Buy-up Vacation.

### Scheduled Holidays

Below are ERCOT's 9 Scheduled Holidays

<b>New Year's Day</b>	<b>Labor Day</b>
<b>Martin Luther King Jr Day</b>	<b>Thanksgiving Day</b>
<b>Memorial Day</b>	<b>Day after Thanksgiving</b>
<b>Independence Day</b>	<b>Christmas Day</b>
<b>One additional day in December</b>	

### Awarded PTO

All employees are awarded up to 4 days of PTO prorated according to date of hire. PTO must be taken by the last day of the calendar year.

Awarded PTO according to new hire start date

<b>January 1 - February 28/29</b>	4 days (32 hours)
<b>March 1 – May 31</b>	3 days (24 hours)
<b>June 1 – August 31</b>	2 days (16 hours)
<b>September 1 – November 30</b>	1 day (8 hours)
<b>December 1 – December 31</b>	0 days

### Elective PTO

New hires may elect upon hire and each calendar year thereafter to forego sick day accruals and receive up to 6 days of Elective PTO. Elective PTO for new hires is prorated. PTO must be taken by the last day of the calendar year.

Elective PTO according to new hire start date

<b>January 1 - February 28/29</b>	6 days (48 hours)
<b>March 1 – May 31</b>	4 days (32 hours)
<b>June 1 – August 31</b>	3 days (24 hours)
<b>September 1 – November 30</b>	2 days (16 hours)
<b>December 1 – December 31</b>	1 day (8 hours)

### Sick Days

Employees who do not choose Elective PTO will receive up to 10 sick days (80 hours) per year. Sick days are accumulated on a per pay period basis and do not have a maximum accrual.

### Earned Vacation

Earned vacation is based on employee years of service with ERCOT. It is accrued on a per pay period basis to a maximum of 240 hours.

Standard Earned Vacation Accrual Schedule

<b>Date of hire until the 5<sup>th</sup> year of continuous service</b>	3 weeks (120 hours)
<b>5<sup>th</sup> year until the 15<sup>th</sup> year of continuous service</b>	4 weeks (160 hours)
<b>15+ years of continuous service</b>	5 weeks (200 hours)

### Buy-up Vacation

ERCOT employees can elect to buy an additional 40 hours of vacation upon date of hire and during annual benefits Open Enrollment thereafter.



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