



Highlights Booklet

Effective January 1, 2010



BENEFITS

YOUR HEALTH YOUR WEALTH YOUR JOB

Introducing Your Costco Employee Benefits Program REAL LIFE BENEFITS FOR THE REAL WORLD

They say that life is a journey, made up of many events, big and small. Marriage or divorce... children... a change of jobs... illness or injury... getting older. These are real life events that happen to real people in the real world.

Happy or sad, exciting or stressful, each event offers special challenges — and often that means financial challenges. That's where the Costco Employee Benefits Program comes in. It includes plans that can help you and your family handle many financial issues you may face in your lives.

For example:

- The high cost of medical, dental and other healthcare
- Loss of income if you become disabled
- Your family's economic well-being if you were to die
- Day in, day out costs of paying for care of your dependents while you work
- Healthcare expenses you pay out of your own pocket for yourself and your family
- A time when you may need to pay for help with activities of daily living

Maybe you've just begun your journey with Costco. Or, perhaps you're well along the path of your career with us. In either case, you owe it to yourself to learn more about the benefits available to you as an eligible employee — and how those benefits can work in your life. Let this Highlights booklet be your map to the wide world of Costco employee benefits.

This booklet updates or highlights only certain Program provisions — it must be read in conjunction with the underlying Summary Plan Description. This is not a promise of employment or guarantee to continue employment for any length of time. Costco, through the Benefits Committee, has the right, at any time, to amend, modify, revoke or terminate the Plan or any of the benefits discussed in here, in whole or in part. If there's a discrepancy between this Highlights Booklet and official Program documents or contracts, the underlying Program documents and insurance contracts will determine plan provisions and benefits payable. Documents and insurance contracts are available from the Costco Employee Benefits Department. Officers and employees of Costco at the various warehouse locations and third parties are not authorized to represent the Plan Administrator or to speak on behalf of the Program. The Program is not bound to any oral or written communication that conflicts with official documents or contracts.

This Benefits Highlights booklet is just a brief look at the Costco Employee Benefits Program. It's designed to be a companion to the Costco Employee Benefits Program Summary Plan Description (SPD) — the official document for Costco's healthcare plans.

The SPD includes detailed information about our Program such as:

- Who's eligible
- How to enroll
- What the plans cover, what they don't
- How technical terms are defined
- How to file benefit claims

Your payroll or Benefits Representative will provide you with the Summary Plan Description when you first become eligible for coverage. You can also find the SPD, along with any benefit updates, online at www.costcobenefits.com, the Costco Benefits Web Site.

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Your Benefit Information Resources

Costco Benefits Web Site, www.costcobenefits.com, for practically anything you want to know about the Employee Benefits Program including:

- personalized information about your current coverage,
- benefit news and updates,
- healthcare provider directories, forms and booklets,
- links to Aetna and other plan sites, and
- direct e-mail to Costco Employee Benefits Department
- tools to improve your health
- access your personal health record

Costco Employee Benefits Department for general benefit information, including questions about your eligibility, enrollment or changes in your benefit status.

Your location payroll or Benefits Representative for benefit materials, such as booklets, printed provider directories, and forms.

Insurance booklets for detailed information about Costco's Disability Insurance, Survivor Benefits, and Long Term Care Insurance plans. These plans are insured, which means Costco has signed contracts with various insurance companies to provide benefits. To obtain insurance booklets or contracts, contact the Costco Employee Benefits Department.

Your personal tax advisor to discuss tax issues related to your benefits. The fact is, many Costco benefit plans offer tax advantages — and that can be a definite plus for you. The trade-off is, as described throughout this Highlights booklet, the plans and their benefits are often subject to strict Internal Revenue Code rules. Your tax advisor can help you sort out what these rules might mean in your personal situation.

Want to Know More?

Costco Benefits Web Site

www.costcobenefits.com

Costco Employee Benefits Department

From 7 am to 5 pm Pacific Time **1-800-284-4882**

E-mail **benefits@costco.com**

link available at **www.costcobenefits.com**

Informed Health Line

24 Hour/ 7 days a week access to

a registered nurse at Aetna **1-800-556-1555**

Aetna Healthcare Plans

Medical, vision care, prescription drug **1-800-814-3543**

Dental **1-800-218-1458**

Link to Aetna Navigator..... **www.costcobenefits.com**

Healthcare plans for Hawaii Employees

HMSA PPO and HMO medical..... **1-800-776-4672**

Aetna vision and prescription drug..... **1-800-814-3543**

Aetna dental..... **1-800-218-1458**

Care Network

To talk to a Unicare counselor or get approval of mental health or substance abuse care benefits **1-877-578-0528**

Link to Care Network Web site **www.costcobenefits.com**

Smoking Cessation Program

Healthways QuitNet® **1-866-218-7719**

Link to QuitNet® site..... **www.costcobenefits.com**

Unum Insurance Plans

Disability (STD and LTD), Survivor

(Life and AD&D), Long Term Care..... **1-877-403-9348**

Link to Unum web site..... **www.costcobenefits.com**

The Hartford Insurance

Business Travel Accident **1-800-523-2233**

Reimbursement Accounts

Aetna, Plan Administrator **1-888-238-6226**

Link to Aetna FSA site **www.costcobenefits.com**

Your Map to Costco

BENEFITS ELIGIBILITY AND ENROLLMENT

Now it's time to start learning about your Costco employee benefits and how they can work in your life. To get you started on your journey, here's some general information about the Program.

Please see your Costco Employee Benefits Program Summary Plan Description (SPD) for details about any information in this section, including who's eligible, when eligibility starts and ends, and how to complete enrollment.

Plans at a Glance

- If you're a U.S. Costco employee, you become eligible for coverage after completing your eligibility waiting period.
- To stay eligible, you must average at least 20 paid hours per week per Benefit Measurement Period.
- Your eligible family members include your spouse or domestic partner and dependent children.
- You can make benefit elections when you're first eligible, during Annual Open Enrollment, or following certain changes in your job or family status.
- You may enter elections online at www.costcobenefits.org or via the Costco Enrollment Center, **1-800-541-6205**.
- If you don't enter your elections, you'll automatically get Default Coverage including employee-only healthcare coverage.
- You'll pay your share of the cost of coverage through bi-weekly payroll deductions.

ELIGIBILITY FOR BENEFITS

The Employee Benefits Program is available to salaried and hourly Costco employees in the U.S. If this includes you, when you first come to work you must fulfill a benefit eligibility waiting period. Once you complete this waiting period, you will become eligible the first of the month after:

- date of hire (salaried employees and full-time hourly pharmacists or senior hearing aid specialists)
- 90 days of service (most full-time hourly employees)
- 180 days of service for most benefits, 90 days of service for Voluntary Short Term Disability Insurance (part-time hourly employees)
- four weeks of service (Hawaii employees who have worked at least 20 hours per week)

Employees in a college student retention program who accept regular positions become eligible the date of the change in status, provided they've fulfilled the applicable eligibility waiting period. Employees who transfer into a U.S. location from another country are eligible the day of the transfer.

Special eligibility and enrollment rules apply to the Voluntary Short Term Disability and Long Term Care Insurance Plans. To find out more, see the descriptions of those plans later in this Highlights booklet.

Who's Not Eligible. Examples of individuals who are not eligible include seasonal or utility employees (except in Hawaii), limited part-time employees, independent contractors, leased employees, temporary employees, interns or anyone hired in connection with training or education.

Maintaining Your Eligibility. If you're an hourly employee, Costco adds up all your paid hours (excluding sick leave pay off) during one Benefit Measurement Period. Then we divide the total number by the weeks in that period, taking into account such factors as any time spent on approved leave of absence.

That results in your average number of paid hours per week for that period, which will be used for the following purposes. The Costco Employee Benefits Department will notify you if any of these situations apply to you:

- 1. To determine your eligibility for benefits.** To stay eligible, you must average at least 20 paid hours per week. If you average less than that during one Benefit Measurement Period, you'll lose eligibility for the following period. Then you'll regain eligibility after any Measurement Period during which you again average 20 hours or more per week.
- 2. To determine your eligibility for "part-time" versus "full-time" benefit options.** Costco offers full-time employees the Choice Plus and Freedom of Choice medical plan options and Core and Premium dental plan options. Part-time employees are limited to Choice Plus for Part-Time Employees and Core Dental. However:
 - if you're a full-time employee, to have the full-time options you must maintain an average of 34 paid hours per week.
 - If you average less than that during one Benefit Measurement Period, you'll be limited to part-time options for the following period.
 - You'll regain eligibility for full-time benefit options after any measurement period in which you again average at least 34 paid hours per week.

Costco's fiscal year includes two Benefit Measurement Periods, each made up of 13 biweekly pay periods. These generally run from:

- 1.** Early September through February
- 2.** Early March through August.

Eligibility for Your Family. If you're eligible for Costco employee benefits, so are these family members:

- 1. Your spouse**
- 2. Unmarried dependent children** through age 18 (through age 22 if full-time students at an accredited school). This includes:
 - Your biological and adopted children
 - Your step-children who meet the requirements spelled out in the "Declaration of Plan Eligibility for Step-Children."
 - Children for whom you or your spouse serve as legal guardian if you meet the requirements spelled out in the "Declaration of Legal Guardianship."

Declaration forms are available at www.costcobenefits.com or from your payroll or Benefits Representative.

- 3. Your disabled children** if they are unable to support themselves due to physical or mental disability. To be eligible for coverage past the normal age limits, these children must meet certain requirements, for example, they must:
 - have been disabled and enrolled in a Costco medical plan before age 19 (age 23, if full-time students) and
 - be pre-approved for continued coverage by the plan administrator. To find out more, be sure to contact Aetna (HMSA in Hawaii) at least 31 days before your child will reach the normal age limit.

The first time you enroll your family members, you'll need to provide Costco with proof of their relationship to you. When you enroll, the enrollment system will let you know what's considered "acceptable proof." Examples include state-certified marriage certificates, state-certified birth certificates and, for children age 19 through age 22, proof of their full-time student status. You will be asked to confirm dependent eligibility each year during Annual Open Enrollment.

If Costco receives a Qualified Medical Child Support Order (QMCSO) for your child and we determine that child is otherwise eligible:

- We'll enroll him or her (and you, if you're not already enrolled) for healthcare coverage.
- Your share of the cost of coverage will be deducted from your paychecks.

For a copy of Costco's QMCSO policies, please contact the Costco Employee Benefits Department.

Eligibility for Your Domestic Partner. Your domestic partner is eligible for coverage if your partnership meets the requirements described in detail in the "Declaration of Domestic Partnership" and overview. These are available online at www.costcobenefits.com or from your payroll or Benefits Representative.

- If your domestic partner is eligible for coverage, so are his or her unmarried dependent children. The enrollment periods for eligible domestic partners and their children are the same as for any other eligible family members.

- To complete enrollment, you'll have to sign and submit the "Declaration of Domestic Partnership" form to the Costco Employee Benefits Department along with proof of your relationship.
- The cost of your domestic partner's and children's coverage will be withheld from your paycheck on an after-tax basis. The "imputed value" of that coverage is included as part of your taxable income.

Eligibility While on a Leave of Absence. As described in the Costco Employee Agreement, Costco recognizes a variety of paid and unpaid leaves. This includes leaves under the Family and Medical Leave Act (FMLA).

While you're on an approved leave of absence, your eligibility for benefit coverage will continue for a period of time based on your service at the time of leave. For example, if you have one or more years of service, Costco will continue coverage for you and eligible family members for up to six months.

If you go on a leave of absence for one of the following reasons, you may qualify for an extended period of coverage:

- maternity (in some states),
- military service, or
- terminal illness.

To discuss your situation, be sure to call the Costco Employee Benefits Department, **1-800-284-4882**.

When Eligibility Ends. Your coverage will end when you're no longer eligible for the Costco Employee Benefits Program. This will happen, for example:

- The date your employment ends for any reason, including retirement.
- March 31 or September 30 after any Benefit Measurement Period during which you averaged less than 20 paid hours per week.
- The date your employee classification changes if you haven't completed the eligibility waiting period for the new classification.
- The last day of your continued coverage period while on an approved leave of absence.
- The last day of a leave of absence if you don't return to work.
- The last date for which you fail to make any required contributions.

Coverage for your family will end when your eligibility ends or if you die. Also, eligibility for individual family members will end when they no longer meet the Program's eligibility requirements. For example, this could happen for your spouse if you get divorced, even if your divorce decree requires you to provide health care, and for your children if they no longer qualify as dependents for tax purposes.

YOUR BENEFIT CHOICES

You can pick the available Costco Employee Benefits Program options you want, enroll eligible family members — even decline coverage and choose an alternative benefit package. To make elections, you must enter your choices online at www.costcobenefits.com or via the Enrollment Center, 1-800-541-6205.

Costs for Your Benefit Choices. You and Costco will share in the cost of medical and dental coverage — how much you pay will depend on your plan options and how many family members you enroll. For example, you'll pay a share of the cost for each enrolled child, up to a maximum of four children.

You'll pay the full cost if you elect Voluntary Short Term Disability, Supplemental Life, AD&D and — if you have less than 10 years service — Long Term Care Insurance. If you participate in the Dependent Care Assistance Plan (DCAP) and Health Care Reimbursement Account (HCRA), you will make all those contributions, too.

Your share of the costs will be withheld from your bi-weekly paychecks throughout the year:

- Contributions from each paycheck are used to pay for your coverage through that pay date.
- Depending on when your coverage begins, contributions for coverage before that pay date may also be withheld.
- Your contributions for medical and dental coverage and to the DCAP and HCRA will be deducted before federal income taxes, most state income taxes, and Social Security/Medicare taxes are withheld. That cuts your tax bill —and may mean more take-home pay for you compared to paying the same amount on an after-tax basis.

The Costco Benefit Rate Booklet shows your per paycheck costs for coverage under the various benefit plans. You'll get this booklet when you first become benefits-eligible.

Since costs may change from one year to the next, you may also contact your payroll or Benefits Representative for the most up-to-date edition.

Your Basic Benefit Package. Electing medical plan coverage will give you the widest range of benefit choices. This includes:

1. Automatic at no extra cost to you:
 - Vision Care and Prescription Drug Programs
 - Care Network
 - Mental Health and Substance Abuse Care Plan (in Hawaii, available through HMSA)
 - Smoking Cessation Program
 - Basic Life and AD&D Insurance
 - Business Travel Accident Insurance if you're a salaried employee
 - Long Term Disability Insurance
 - Long Term Care Insurance Basic Benefit (if you have 10 or more years of service)
2. Elective at an additional cost:
 - Dental
 - Voluntary Short Term Disability Insurance, for hourly employees in states where this plan is available
 - Supplemental Life and AD&D Insurance
 - Dependent Care Assistance Plan
 - Health Care Reimbursement Account
 - Long Term Care Insurance Basic Benefit (if you have less than 10 years of service) and Buy-Up Options

If you don't enter your own benefit elections during initial enrollment, you'll get automatic default coverage — for which you'll pay your share of the costs through payroll deduction. Default coverage includes:

- Employee only medical (Choice Plus, Choice Plus for Part-Time Employees, or HMSA HMO in Hawaii)
- Employee only Core Dental
- Care Network (for you and eligible family members)
- Employee only Basic Life and AD&D Insurance
- Business Travel Accident (if you are a salaried employee)
- Voluntary Short Term Disability Insurance (if you are an hourly employee in a state where this applies)
- Long Term Disability Insurance

Alternative Benefit Packages. Instead of the basic benefit package, you may decline medical coverage and choose one of the following three alternatives. To do that, you'll need to enter your elections online or via the Costco Enrollment Center then submit a "Decline Coverage Acknowledgement" form to Costco Employee Benefits Department.

Your alternative choices are:

1. Decline medical because you're covered as a family member by another benefits-eligible Costco employee, such as your spouse, domestic partner or parent. With this package, you can only have healthcare benefits as a family member, not as an employee. The other automatic and elective benefit options will be available to you the same as to any other eligible employee.
2. Decline medical but elect Long Term Disability (LTD) Insurance. With this option, you'll pay a share of the cost of LTD coverage on a before-tax basis. The package includes:
 - Automatic at no extra charge to you: Care Network, Smoking Cessation Program, Basic Life and AD&D Insurance, Long Term Care Insurance Basic Benefit (if you have 10 or more years of service).
 - Elective at an additional cost: Supplemental Life and AD&D Insurance, Voluntary STD Insurance (if you are an hourly employee in a state where this is available), Dependent Care Assistance Plan, Health Care Reimbursement Account, Long Term Care Insurance Basic Benefit (if you have less than 10 years of service), LTC Buy-Up Options.
3. Decline Costco benefits altogether. This package includes the Care Network for you and eligible family members and Business Travel Accident Insurance (salaried employees only), provided at no cost to you. Also, Voluntary Short Term Disability Insurance is elective at an additional cost, if you're an hourly employee at a location where the plan is available.

Enrollment is easy! Just go to www.costcobenefits.com or the Costco Enrollment Center, 1-800-541-6205, to make your choices. The enrollment system will walk you through the process step-by-step. For example, the system will let you know exactly:

- which coverage options are available to you,
- what if any additional paperwork you'll need to provide, and
- any other special steps necessary to complete enrollment for yourself and your family.

MAKING YOUR ELECTIONS

You can enter your benefit elections or enroll family members during your initial enrollment period or Annual Open Enrollment. Other than that, you may only change current coverage after certain qualified changes in your work, personal or family status.

Initial enrollment. This is your first chance as an eligible employee to elect coverage under most Costco plans. You have a 60 day window to complete initial enrollment, running from 30 days before your benefit effective date until 30 days after that date. Elections you make during your initial enrollment period start with your benefit effective date.

Annual Open Enrollment. This is also your once-a-year opportunity to change current elections or family enrollment:

- Annual Open Enrollment is held each year during the fall. Changes you make at Annual Open Enrollment go into effect the following January 1.
- If you don't enter any changes during this period, your current coverage will continue "as is" for the coming year.
- The Dependent Care Assistance Plan and Health Care Reimbursement Account are the exception — to keep participating in these plans, you must re-enroll every year.

You will be required to confirm eligibility for your enrolled family members during Annual Open Enrollment each year.

If You Have a Qualified Change in Status. To comply with federal regulations, strict limits apply to why, when and how you can change your elections following a qualified change in your work, family or personal status. Briefly:

- 1. Benefit changes must be consistent with your change in status.** For example, if your spouse loses coverage under another employer's healthcare plan, it would be consistent to enroll him or her in your Costco plan — but probably not consistent to drop your Costco coverage.
- 2. There are deadlines for making changes.** Any benefit changes you make within the deadlines will be retroactive to the date of the event. In general, the deadlines are:
 - 60 days after you acquire a newly eligible child as a result of birth, adoption or placement for adoption:
— You may enroll your new child after 60 days but there may be some consequences. For example, your child's coverage won't begin until after you complete enrollment. Also, he or she may be subject to the medical plan benefit limitation on pre-existing conditions.
— When you enroll your newborn or adopted child, you may also enroll other eligible members of your family, including yourself, your spouse or domestic partner and other dependent children.
 - 60 days after you or your family members gain or lose healthcare coverage.
 - 30 days after most other events, for example, you get married, acquire a step-child, become the legal guardian of a child.
- 3. Mid-year changes to the Health Care Reimbursement Account are not allowed.**

Qualified changes in status are listed in detail in your Summary Plan Description book. Examples include:

- Marriage
- Divorce, legal separation or end of a domestic partnership
- Acquisition of a newly eligible child through birth, adoption, or legal-guardianship
- Death of a family member
- Reclassification of employee status from part-time to full-time or vice-versa
- Loss or gain of coverage under the Costco or other employer's plan
- For the Dependent Care Assistance Plan, a change in childcare circumstances

Costco will notify you when you have a change in work status that will allow you to revise current elections. If you have a personal or family change, it's up to you to notify us online at www.costcobenefits.com or via the Costco Enrollment Center, 1-800-541-6205.

Additional Paperwork. After you've entered your elections, you may have to take one more step and submit extra paperwork. For example, depending on your circumstances, you may have to submit one of the following forms. These forms are available online at www.costcobenefits.com or from your payroll or Benefits Representative:

- State certified marriage and birth certificates
- "Declaration of Legal Guardianship," "Declaration of Plan Eligibility for Step-Child," "Declaration of Domestic Partnership"
- "Proof of Full-Time Student Status" for dependent children ages 19 through 22
- "Certificate of Creditable Coverage" (HIPAA Certificate) — proof of other healthcare coverage that counts towards the waiting period for pre-existing conditions under the Costco plans.
- "Decline Coverage Acknowledgement" form to decline medical and choose an alternative benefit package
- "Beneficiary Designation" form to elect or change your current life insurance beneficiary

Your Map to Costco HEALTHCARE PLANS

You'll be glad to hear Costco offers you and your family solid medical and dental coverage at a reasonable price. What's more, along with your Costco medical coverage, you'll automatically receive prescription drug, vision care, mental health and substance abuse, and smoking cessation plan coverage — at no extra cost to you.

In fact, even if you decline Costco benefits, you and your family will have access to the Care Network, free of charge!

Please see your Costco Employee Benefits Program Summary Plan Description (SPD) for details about any information in this section, including how these plans work, the benefits they pay, and exclusions and limitations.

PLANS AT A GLANCE

Medical, including prescription drug and vision care benefits, administered by Aetna, **1-800-814-3543**

- Choice Plus (full-time employees only)
- Choice Plus for Part-Time Employees
- Freedom of Choice (full-time employees only)

Care Network, administered by Unicare, **1-877-578-0528**

Mental Health and Substance Abuse Program, administered by Unicare, **1-877-578-0528**

Dental administered by Aetna, **1-800-218-1458**

- Core Dental (part-time and full-time employees)
- Premium Dental (full-time employees only)

Smoking Cessation Program, administered by Healthways QuitNet®, **1-866-218-7719**

PLAN FACTS

Enrolling for dental. To enroll for dental coverage, you must have medical coverage. If you elect dental for yourself, family members enrolled for medical will be enrolled automatically in your dental plan option.

Dual coverage rules. If your spouse, domestic partner or other family member is also a benefits-eligible employee:

- Each of you may only be enrolled for medical and dental coverage once — either as an employee or as a family member.
- If you have eligible children, they may only be enrolled once, either by you or by your benefits-eligible spouse, domestic partner or other family member.

Q&A

Q: Like me, my spouse is a benefits-eligible Costco employee. Is there any advantage if we enroll for medical coverage separately as employees, instead of one of us enrolling the other as a family member?

A: If you enroll separately, you can each elect a different medical plan, if available. Plus, you may elect or decline any available dental option, no matter what your spouse chooses. On the other hand, by enrolling separately:

- you're likely to pay more for your coverage as an employee, compared to the bargain rate for benefits-eligible spouses and domestic partners,
- your out-of-pocket costs won't combine with your spouse's to count towards the plan's family deductible or annual coinsurance maximum, and
- your children can only be covered once, either by you or by your spouse.

Healthcare benefits in Hawaii. If you're an employee in Hawaii, your medical coverage, including mental health and substance abuse care, is provided by HMSA. For a booklet describing HMSA medical benefits, contact your payroll or Benefits Representative. If you have questions about your benefits, please call HMSA at **1-800-776-4672**.

Otherwise, the prescription drug, vision care, Care Network, dental and smoking cessation benefit plans described in this Highlights booklet are available to you.

Your Aetna ID cards. Your healthcare identification cards include important information about your plan eligibility. You'll need to use them whenever you seek healthcare services or buy prescription drugs from a participating provider or pharmacy.

- Aetna will send you a medical ID card (in Hawaii, a prescription drug program ID card) after your coverage begins. If you're enrolled for dental, you'll get a separate dental ID card.
- Before your permanent IDs arrive, you can go to Aetna Navigator, at www.costcobenefits.com, to print temporary cards.

Coordination of Benefits (COB). Costco healthcare plans have a COB provision. This comes into play whenever you or enrolled family members have other group healthcare coverage, for example, through your spouse's employer. With COB, your Costco plan and the other plan will work together to pay up to, but no more than 100% of your covered expenses.

Remember, it's important to notify Costco of any other group healthcare coverage you may have. Otherwise, you could jeopardize your eligibility for the Costco Employee Benefits Program.

Waiting Period for Pre-Existing Conditions. The Costco medical plans have a 12 month waiting period for pre-existing medical conditions. During that waiting period, your plan will pay only up to \$5,000 (after any required deductibles, coinsurance or co-pays from you) for expenses related to that condition.

This waiting period is most likely to affect newly enrolled employees and family members. It may also come into play when you've had a lapse in coverage, for example, if you lose eligibility during one Benefit Measurement Period and decline COBRA coverage during that period.

The waiting period for pre-existing conditions applies to Costco medical plans administered by Aetna, including mental health and substance abuse plan benefits. It doesn't apply to:

1. Pregnancy or pregnancy-related conditions
2. Children enrolled within 60 days after birth, adoption, or placement for adoption
3. Vision, prescription drug, or dental benefits
4. HMSA in Hawaii
5. Participants with 12 or more months of "creditable healthcare coverage."
 - Creditable coverage refers to any previous coverage under another group healthcare plan — but only if the break between that coverage and your current coverage is less than 63 days (not including the Costco benefit waiting period).
 - The administrator of your prior plan should have provided you with a "HIPAA Certificate of Creditable Coverage." If you didn't get a certificate, Costco Employee Benefits Department can help you get one.
 - When you first become eligible for Costco benefits, you'll need to provide the HIPAA certificate as proof of the previous coverage and how long it lasted. For each month of creditable coverage, your waiting period for pre-existing conditions will be reduced by one month.

A pre-existing condition means a physical or mental condition for which you or a family member received medical advice, care or diagnosis within the later of:

- Six months before your hire date, if enrolled when you first become eligible or
- Six months before actual enrollment.

Confidentiality of Healthcare Information. Federal law protects the privacy rights of all group healthcare plan participants. Among other provisions, the law restricts the use or disclosure of your Protected Health Information (PHI) by or to Costco or other Costco employees. These permitted uses and disclosures are summarized in the Costco Wholesale Health Plans "Notice of Privacy Practices," available at www.costcobenefits.com.

COBRA: When Coverage Ends. If eligibility ends due to a "qualifying event," you may continue healthcare coverage, including medical and dental, under a federal law known as COBRA for a period of time — generally, up to 18 months (or 36 months for family members who lose eligibility). You'll have to pay the full monthly cost of your COBRA coverage plus a small administrative fee.

1. **COBRA Notification.** When you or a family member loses eligibility, Costco will send you a COBRA information package. This will include all the details about your options to continue coverage, your costs for those options, and necessary enrollment forms.
 - If the Costco Employee Benefits Department knows your eligibility has ended, for example, due to a change in your payroll status or hours worked, we'll automatically send you the package as notification.
 - If you or family members lose eligibility for any other reason, it's up to you to notify us within 60 days after the event then we'll send you the package.
2. **COBRA enrollment deadlines.** As described in the Costco COBRA information package, you must complete enrollment within certain deadlines — generally, within 60 days after the event or you receive a notification from Costco, whichever comes later.
3. **Costco COBRA subsidy.** If you're on an approved leave of absence when your eligibility ends, Costco will subsidize monthly costs of COBRA for you and your family. The subsidy may continue for up to six months:
 - To qualify, you must have at least one year of service at the time of your leave.
 - The subsidy will equal 25% (one to four years of service) or 50% (five or more years of service) of your monthly cost.
4. **If you're terminally ill.** In addition to the subsidy, Costco will reimburse the full cost of an additional 18 months of your COBRA costs. But, to qualify, you must apply to Unum for the Accelerated Death Benefit (ADB) before your eligibility for the Costco Employee Benefit Program ends.

Since there's a time limit for your application, be sure to contact the Costco Employee Benefits Department as soon as you can. We'll work with you and Unum to help you through the process. To learn more about the ADB, see the "Survivor Benefit Insurance Plans" section of this booklet.

COBRA Qualifying Events are listed in detail in your Employee Benefits Program SPD. Examples include:

- For you, if your employment ends, you fail to average 20 paid hours per week, or you reach the maximum period of continued coverage while on leave of absence
- For your family, if you lose eligibility or you die, for your spouse if you divorce, and for your children if they get married, reach the normal age limits or otherwise cease to qualify as eligible dependents.

SPECIAL TOOLS FOR YOU

If you're like most people, you want to be able to make informed healthcare decisions for yourself and your family. Costco has teamed with Aetna to offer a whole range of useful tools to help you do just that.

You'll find more about each of these programs, including links to the appropriate sites, at "Live Healthy" on www.costcobenefits.com:

1. **Informed Health Line, 1-800-556-1555 or TDD 1-800-270-2386**, a 24-hour line staffed by specially trained Registered Nurses. Call toll-free day or night to ask questions or to get guidance on seeking appropriate care for immediate health issues. This valuable resource is available to all Costco employees and families — even those who are not enrolled for Costco medical plan coverage.
2. **Aetna Navigator**, a secure site that features a wide range of healthcare information, including personalized information about your Costco medical and dental benefits. For example, once you're logged on you'll be able to:
 - Track your healthcare claims
 - Access personal health records for yourself and your family
 - Print temporary or replacement plan ID cards
 - Send e-mail inquiries to Aetna customer service

Other special Aetna programs. Aetna also offers eligible Costco medical plan participants:

- Care Advocate Team (CAT), specially trained health care professionals who can help you manage your care if you ever have an acute, chronic or complex illness or need to go into the hospital.
- Organ transplant program, procedures for donors and recipients pre-certified by Aetna and managed through the special National Medical Excellence® (NME) program.

Live Healthy! When it comes to achieving and maintaining a healthy lifestyle, Costco offers you lots of health and wellness resources. You can learn more about all of these wrapped up in a handy package at www.costcobenefits.com.

Here's just a sample of what you'll find by clicking "Live Healthy":

- **Five simple steps to success** — ideas and resources for taking basic action to manage stress, stop smoking, get moving, eat right, and seek routine annual healthcare.
- **Links to benefit plan sites**, including Aetna Navigator and the Beginning Right Program discussed here, plus the Smoking Cessation Program and Care Network.
- **Up-to-date news about health topics** that matter to you, including links to Aetna Intellihealth for the latest news in medical research.

WELLNESS AND HEALTH IMPROVEMENT BENEFITS

Everyone knows an ounce of prevention is worth a pound of cure! That's why Costco's medical plans include plenty of preventive benefits designed to help you and your family get healthy and stay healthy.

You don't have to satisfy your plan's annual deductible for the following expenses — but you'll still have to pay any office visit co-pays or coinsurance. And, if you're in a Choice Plus plan, remember these services must be provided by a plan network participating provider or AEXCEL Designated Specialist to be covered:

- 1. Well baby and child care**, for children up to age 6.
This includes:
 - Office exams
 - Related lab services and supplies
 - Immunizations as recommended by the American Medical Association
- 2. Annual routine physical exams**, one per year paid up to \$300 per person. This includes age-appropriate screenings and tests for you and each family member age 6 or older.
- 3. Other routine care** (not subject to \$300 limit for routine physicals). This includes:
 - Annual mammograms and prostate-specific antigen (PSA) tests, starting at age 40.
 - Sigmoidoscopies once every 5 years and colonoscopies once every 10 years, starting at age 50.
 - Routine immunizations including annual flu shots and Gardasil®
- 4. Weight management services** provided by physicians, hospitals, licensed or certified dietitians or nutritionists — including one initial physical exam, related diagnostic tests, and on-going visits. (This does not include surgery for morbid obesity, although regular plan provisions may cover one procedure per lifetime, if pre-approved by Aetna.)

Aetna follows guidelines developed by leading medical authorities to determine how and when the plans cover such preventive expenses as well-baby care, immunizations, tests and screenings. To see these guidelines, go to www.costcobenefits.com. Click:

1. "Live Healthy," then
2. "Preventive Care Schedule."

COSTCO MEDICAL PLANS The Costco medical plans pay benefits for medically necessary services or supplies that are appropriate for the diagnosis, care or treatment of an illness or injury. As shown in The Summary of Medical Plans later in this section, the level of benefits you receive will depend on:

- the option in which you are enrolled (Choice Plus, Choice Plus for Part-Time Employees, or Freedom of Choice),
- the services you receive, and
- whether you go in-network to a plan participating provider or to a non-participating provider.

Using Participating Providers. Each Costco medical plan offers an extensive national network of participating providers. In addition, Aetna's network of AEXCEL Designated Specialists is available at many locations throughout the country. You can go directly to any provider in your plan's network or AEXCEL Designated Specialist — no referral necessary.

- 1. Choice Plus participating providers and Freedom of Choice Preferred Providers** include physicians, hospitals, clinics, and walk-in clinics. If you're in a Choice Plus plan you may, but are not required to, select a Primary Care Physician (PCP) for your general medical care.
- 2. AEXCEL Designated Specialists** include providers with expertise in many medical specialties, including:
 - Cardiology
 - Cardiothoracic Surgery
 - Gastroenterology
 - General Surgery
 - Neurosurgery
 - Neurology
 - Obstetrics & Gynecology
 - Orthopedics
 - Otolaryngology
 - Plastic Surgery
 - Urology
 - Vascular Surgery

Using Network Providers. Your Costco medical plan will pay covered expenses of any qualified healthcare provider, in-network or out-of-network. But it's a good idea to use participating, Preferred or AEXCEL providers whenever you need care. Here's why:

- Except for emergencies, your plan will pay their covered services at a higher rate compared to those of out-of-network providers.
- Network providers have agreed to charge a discounted rate for their covered services. That means your share of the cost will be lower, too.
- They accept payments from your plan plus your share of the cost, such as deductibles, co-pays or coinsurance, as payment in full. You won't be billed for any additional charges.
- If you're in a Choice Plus plan, you must use a participating or AEXCEL provider to be eligible for wellness and health improvement benefits.

Using Out-of-Network Providers. Costco medical plans pay covered charges of non-participating providers at a lower out-of-network or non-Preferred rate. (The exception is emergencies, for which the plans pay covered costs at the in-network level no matter where you receive the care.)

Plus, reimbursement for non-network providers is based on Reasonable and Customary (R&C) rates. Since R&C is usually higher than the discounted rates of participating providers, that means your share of the charge may be higher, too. What's more, if your provider charges even more than R&C, you'll also have to pay that excess.

Reasonable and Customary (R&C) generally means the amount charged by most providers in your geographic area for similar care or supplies furnished to someone of your same sex and age for a similar medical condition. Aetna determines R&C rates based on a national database of standard charges.

Choice Plus Out of Area. Most Costco locations are situated inside Aetna's Choice Plus medical plan service areas — but some are out of area. "Out of area" means you and your family don't have easy access to network participating providers near where you live or work. If you're notified that this applies to you:

- Your Choice Plus plan will pay covered services of any healthcare provider at the in-network level, based on R&C rates.
- Depending on your location, you may have access to a local network of providers who accept payment at a discounted rate.
- Any local network will be noted on your Aetna medical ID card and you'll find a list of local participating providers on DocFind at www.costcobenefits.com.

Your Out-of-Pocket Costs. For most covered expenses, after you pay a share out of your own pocket, then the plan pays its share. As shown on The Summary of Medical Plans, the kinds and amounts of these "out-of-pocket" costs will depend on the plan you're in:

- **Your co-pay** is the dollar amount you pay each time you use certain services, for example, visit your physician (Choice Plus participants), use the emergency room or check into the hospital.
- **Your annual deductible** is the dollar amount you pay each year (not including co-pays) before plan benefits may begin. The plans limit the total dollar amount you have to pay per year for all family members combined.
- **Your coinsurance** is the percentage of covered charges you pay after your annual deductible and any required co-pays. Each plan sets a maximum dollar amount you have to pay annually. If you reach that maximum, your plan will pay 100% of most covered expenses (except co-pays) for the rest of the year.

Lifetime maximum benefit. There's a dollar limit on the total benefit amount each participant may receive from all Costco medical plans combined for the entire time that person is covered. The individual maximum benefit is \$1 million (for the Choice Plus and Freedom of Choice plans) or \$500,000 (for Choice Plus for Part-Time Employees).

- If you reach your plan's lifetime maximum, the following year \$100,000 in benefits (\$50,000 if you are in Choice Plus for Part-Time Employees) will again become available.
- The year after you complete 10, 20, 30, 40, or 50 years of service, the full lifetime maximum benefit for your plan (\$1 million or \$500,000) will again become available to you and each enrolled family member.

SUMMARY OF MEDICAL PLANS

	CHOICE PLUS		FREEDOM OF CHOICE		PART-TIME CHOICE PLUS	
	In-Network	Out-of-Network ¹	Preferred Provider	Non-Preferred Provider	In-Network	Out-of-Network ¹
Annual Deductibles	\$200 Individual \$400 Family	\$200 Individual \$400 Family	\$250 Individual \$1,000 Family	\$250 Individual \$1,000 Family	\$500 Individual \$1,000 Family	\$500 Individual \$1,000 Family
Annual Co-Insurance Maximum	\$1,500 Individual \$3,000 Family	Individual – No Limit Family – No Limit	\$1,500 Individual \$6,000 Family	\$1,500 Individual \$6,000 Family	\$2,500 Individual \$5,000 Family	Individual – No Limit Family – No Limit
Emergency Room	\$50 co-pay 90% after deductible	\$50 co-pay 90% after deductible	\$50 co-pay 90% after deductible	\$50 co-pay 90% after deductible	\$50 co-pay 80% after deductible	\$50 co-pay 80% after deductible
Doctor Office Visits	\$15 co-pay per visit	50% R&C after deductible	90% after deductible	80% R&C after deductible	\$20 co-pay per visit	50% R&C after deductible
Specialist Office Visit	\$15 co-pay per visit	50% R&C after deductible	90% after deductible	80% R&C after deductible	\$20 co-pay per visit	50% R&C after deductible
Axcel Specialist²	\$5 co-pay per visit	N/A	N/A	N/A	\$5 co-pay per visit	N/A
Hospital Stay²	\$100 co-pay 90% after deductible	\$100 co-pay 50% R&C after deductible	\$100 co-pay 90% after deductible	\$100 co-pay 80% R&C after deductible	\$100 co-pay 80% after deductible	\$100 co-pay 50% R&C after deductible
Routine Physicals⁴	100% after \$15 co-pay \$300 annual maximum	Not covered	90% \$300 annual maximum	80% R&C \$300 annual maximum	100% after \$20 co-pay \$300 annual maximum	Not covered
Mammograms⁴	100% not part of \$300 annual maximum	Not covered	100% not part of \$300 annual maximum	80% R&C	100% not part of \$300 annual maximum	Not covered
Sigmoidoscopies⁴ Colonoscopies	100% not part of \$300 annual maximum	Not covered	100% not part of \$300 annual maximum	80% R&C	100% not part of \$300 annual maximum	Not covered
Well Baby Care⁴	\$15 co-pay per visit	Not covered	90%	80% R&C	\$20 co-pay per visit	Not covered
Alternative Care Treatment Acupuncture, Chiropractic, Naturopath^{4,5,6,7}	\$15 co-pay per visit limited to 20 visits per calendar year	50% R&C after deductible limited to 20 visits per calendar year	90% after deductible limited to \$1,000 per calendar year	80% R&C after deductible limited to \$1,000 per calendar year	\$20 co-pay per visit limited to 20 visits per calendar year	50% R&C after deductible limited to 20 visits per calendar year
TMJ Treatment (\$2,000 Lifetime Maximum)	\$15 co-pay for office visit 90% after deductible	50% R&C after deductible	90% after deductible	80% R&C after deductible	\$20 co-pay per visit 80% after deductible	50% R&C after deductible
Physicians Services for Surgery, Hospital Visits	90% after deductible	50% R&C after deductible	90% after deductible	80% R&C after deductible	80% after deductible	50% R&C after deductible
X-rays, Lab Tests	90% after deductible	50% R&C after deductible	90% after deductible	80% R&C after deductible	80% after deductible	50% R&C after deductible
Short-Term Rehab Therapy^{7,8,9}	90% after deductible limited to 25 visits per year	50% R&C after deductible limited to 25 visits per year	90% after deductible limited to 25 visits per year	80% R&C after deductible limited to 25 visits per year	80% after deductible limited to 25 visits per year	50% R&C after deductible limited to 25 visits per year

SUMMARY OF MEDICAL PLANS (CONTINUED)

	CHOICE PLUS		FREEDOM OF CHOICE		PART-TIME CHOICE PLUS	
	In-Network	Out-of-Network ¹	Preferred Provider	Non-Preferred Provider	In-Network	Out-of-Network ¹
Radiologist Anesthesiologist Pathologist Services	90% after deductible	50% R&C after deductible	90% after deductible	80% R&C after deductible	80% after deductible	50% R&C after deductible
Skilled Nursing Convalescent Facility^{7,8}	90% after deductible limited to 60 visits per calendar year	50% R&C after deductible limited to 60 visits per calendar year	90% after deductible limited to 60 days per calendar year	80% R&C after deductible limited to 60 visits per calendar year	80% after deductible limited to 60 days per calendar year	50% R&C after deductible limited to 60 days per calendar year
Private Duty Nursing^{7,8}	90% after deductible limited to 70 shifts per calendar year	50% R&C after deductible limited to 70 shifts per calendar year	90% after deductible limited to 70 shifts per calendar year	80% R&C after deductible limited to 70 shifts per calendar year	80% after deductible limited to 70 shifts per calendar year	50% R&C after deductible limited to 70 shifts per calendar year
Home Health Care^{7,8}	90% after deductible limited to 120 visits per year	50% R&C after deductible limited to 120 visits per year	90% after deductible limited to 120 visits per year	80% R&C after deductible limited to 120 visits per year	80% after deductible limited to 120 visits per year	50% R&C after deductible limited to 120 visits per year
Hospice Care^{7,8}	Inpatient: 90% after deductible Outpatient: 90% after deductible	Inpatient: 50% R&C after deductible Outpatient: 50% R&C after deductible	Inpatient: 90% after deductible	Inpatient: 80% R&C after deductible	Inpatient: 80% after deductible	Inpatient: 50% R&C after deductible
Hearing Aid (Device)	100% limited to \$1,000 in every 4 years					
Vision Care	See separate benefits outline contained in this booklet					
Prescription Drugs	See separate benefits outline contained in this booklet					
EAP and Mental Health & Substance Abuse	See separate benefits outline contained in this booklet					
Lifetime Maximum	\$1,000,000.00 – Choice Plus and Freedom of Choice \$500,000.00 – Choice Plus for Part-Time Employees					
<p>Accumulators: If you terminate employment and are rehired in the same year, your deductibles, maximum benefits limits and co-insurance maximums will be carried forward. All payments are payable after annual deductibles have been met, unless otherwise noted.</p> <p>¹ If enrolled in Out-of-Area Plan due to geographic area or location of employee's home, In-Network benefits will apply. ² Aexcel Network – see separate Benefits Outline for specialties and markets. ³ Co-pay applies to each confinement. Confinement separated by less than 10 days is considered a single confinement. ⁴ Routine physicals, mammograms, sigmoidoscopies, colonoscopies and well baby care are not subject to deductible and incurred charges do not apply to deductible. Effective 1/1/09 mammograms and colon cancer screenings will be covered at 100%. ⁵ Includes all eligible charges rendered/referred by a chiropractor for services or supplies used to treat a non-occupational injury. ⁶ Lower level benefits apply to out-of-network chiropractic only. ⁷ Annual and lifetime limitations apply to in- and out-of-network visits combined. ⁸ Requires pre-certification. ⁹ Based on medical necessity, Aetna may approve additional visits up to a maximum of 60 visits per calendar year.</p>						

VISION CARE PLAN

The plan covers routine vision care services and supplies including:

1. **Annual refractive (routine) eye exam** at a Costco Optical Department or from any other qualified vision care provider.
2. **Eyewear from Costco Optical Department**, one set of eyeglasses, or contacts in lieu of glasses, per calendar year. At the time of purchase, you'll simply pay any charge that exceeds the \$150 plan benefit.
3. **Eyewear from non-Costco Optical** providers is not covered except in the following cases. In either case, you'll have to pay the cost first then submit a claim to get reimbursed.
 - There's no Costco Optical within 25 miles of where you work (submit claim to Aetna) or
 - Costco Optical confirms in writing they're unable to provide the lenses or appropriate frames to fill your prescription (submit claim to the Costco Employee Benefits Department along with the letter).

The plan only covers one eyewear purchase per year.

If you don't use the full \$150 benefit when you buy covered eyewear, you'll forfeit the balance. That means you'll be responsible for the costs of any further glasses or contacts you buy for the rest of that year.

VISION CARE PLAN BENEFITS IN BRIEF

Expense	What the plan pays
Refractive eye exam , one per calendar year	Up to \$60
Covered eyewear , once per calendar year: <ul style="list-style-type: none"> • Glasses, including frames and lenses, or • Contacts in lieu of glasses, including disposable contacts 	Up to \$150

PRESCRIPTION DRUG PROGRAM

This program pays benefits for covered prescription drugs and diabetic supplies you buy at:

1. Costco Pharmacies or
2. Costco-Designated Network Pharmacies, including pharmacies in large chain stores and independent pharmacies. For a current list of network pharmacies, see DocFind at www.costcobenefits.com or call Aetna customer service.

In a few locations, Costco or Designated Network Pharmacies are not available. At these locations, Aetna has arranged for alternative pharmacies to serve Costco employees, with benefits payable at the Designated Network rate. You'll be notified if this applies to you.

Prescriptions you buy at a non-Costco or non-Costco Designated Network Pharmacy are not covered. The exception is if you have an emergency and a participating pharmacy is not available.

How the Program Works. Each time you buy a covered prescription or supply at a Costco or network pharmacy, simply show your Aetna ID card. You'll pay a co-pay at time of purchase, no claim form required.

The process is even easier if you happen to be enrolled in the Health Care Reimbursement Account. As long as you have an available balance, your prescription co-pays (excluding co-pays for Over-the-Counter medications) will be deducted directly from your Account. You won't even have to open your wallet at time of purchase!

To learn more, see the "Health Care Reimbursement Account" section later in this booklet.

Over the Counter (OTC) Medicine. The plan covers certain OTC medicine prescribed by a physician and purchased at a Costco Pharmacy. Currently, this includes:

- Antacids and acid reducers, such as Kirkland Signature™ Acid Reducer Tablets, Kirkland Signature™ Acid Controller, Zantac® and Pepcid®
- Antihistamines, such as Kirkland KS Allerclear® D24DR, Kirkland Signature Allerclear® Non-Drowsy Loratadine, Claritin® Non-Drowsy 24 hours, Claritin® D24, Claritin® RediTabs, Claritin® D 12 hr, Alavert® Non-Drowsy Loratadine Orally Disintegrating Tablets, Zyrtec®

For the most up-to-date list of covered OTC medicine, be sure to check www.costcobenefits.com or call Aetna customer service.

PRESCRIPTION DRUG PROGRAM BENEFITS IN BRIEF

Costco Pharmacies	<p>Prescription Drug co-pays, per 34 day supply</p> <ul style="list-style-type: none">• Generic, \$3• Name brand, 15% of the cost, from a minimum of \$10 to a Refractive eye exam, Up to \$60 <p>Over the Counter medicine co-pays, per supply listed on www.costcobenefits.com</p> <ul style="list-style-type: none">• Kirkland Signature Brands, \$0• Other covered brands, \$2 (could be reduced if equivalent Kirkland Signature Brand is not available)
Costco Designated Network Pharmacies	<p>Prescription Drug co-pays, per 34 day supply</p> <ul style="list-style-type: none">• Generic and name brand, 25% of the cost, from a minimum of \$15 to a maximum of \$50• Over the Counter medicine, not covered

CARE NETWORK

You can turn to the Care Network for help with practically any personal, family, or work situation. This may range from day-to-day issues — like finding child or elder care or financial and legal resources — to physical or emotional distress, conflict resolution, and alcohol or substance abuse.

To access the Care Network:

- Call **1-877-578-0528**, toll-free, 24/7 to talk to a trained staff member. Your Care Network representative can help you determine your primary issues — then point you in the right direction to get the help you need.
- Link to the Care Network web site from www.costcobenefits.com for access to web-based resources and information, such as reading lists, referral resources, and interactive self-assessment tools.

If You Need Further Care. Often, a simple phone call or an online search may be all it takes to start resolving your issues. Or, if it appears you might benefit from short-term counseling, your Care Network representative will approve up to six face-to-face sessions with a Care Network associated mental healthcare provider.

You may require lengthier or more specialized mental health or substance abuse care services than the Care Network is meant to provide. If so, your Care Network counselor may refer you for further care. The decision to seek that care and who will provide that care is up to you.

You'll be responsible for any further charges you incur — but if you're a Costco medical plan participant, the Mental Health and Substance Abuse Plan may cover your expenses as explained below.

Care Network stands for “Confidential Assistance and Resources for Everyone” — and that about says it all! Here's how it works:

- Care Network services are available to all eligible employees and their families, including Hawaii employees and even those who have declined all other Costco employee benefit coverage.
- Covered Care Network services, including short-term counseling, are provided to you free of charge.
- To ensure absolute confidentiality, we've contracted with an outside firm, Unicare, to provide services.
- You have access to the Care Network starting the very first day you begin work as an eligible employee
- You can continue to use Care Network services up to 60 days after you leave work.

MENTAL HEALTH AND SUBSTANCE ABUSE PLAN

This plan pays benefits for medically necessary inpatient and outpatient services for the treatment of mental illness or substance abuse. To be covered, most care must be:

- Referred by a Care Network counselor and
- Pre-approved by Unicare (or approved within 48 hours after an emergency admission).

That means, to get the care you need, your first step should be to call the Care Network toll free at **1-877-578-0528**. (This is not required for Hawaii employees because their health and substance abuse benefits are provided through HMSA.)

Your Care Network counselor will work to help determine the level of care that seems to make the most sense for you — then, if appropriate, coordinate with Unicare to arrange for your referral to a Unicare network participating provider.

The Mental Health and Substance Abuse Plan is distinctly separate from the Costco medical plans and features a different provider network. The Unicare network includes, for example:

- Licensed mental health and substance abuse counselors
- Psychologists, psychiatrists, and clinical workers
- Hospital and other inpatient treatment facilities
- Outpatient day treatment programs
- Residential treatment facilities

MENTAL HEALTH AND SUBSTANCE ABUSE BENEFITS IN BRIEF

Services referred by Care Network and approved by Unicare:

Counseling sessions, including individual, family, and group sessions, up to 50 per year per person

Facility services, up to 20 units per year or 60 units per lifetime for:

1. Inpatient care in an acute facility (1 day = 1 unit)
2. Residential or full-day outpatient care (2 days = 1 unit)
3. Half-day outpatient care (3 days = 3 units)

- First \$5,000 in covered expenses, paid 80%, no deductible
- Covered expenses over \$5,000, paid 100% (subject to facility unit limits) *

*The year after you complete 10, 20, 30, 40, or 50 years of service, lifetime units will be "refreshed" which means up to 60 units will again become available

Services not referred or authorized by Care Network

Counseling sessions

Paid 50% of Reasonable and Customary (R&C) charges

Inpatient treatment

Emergency services only, paid 80% of R&C

SMOKING CESSATION PROGRAM

Need help to quit cigarettes or stop using tobacco in any form? You're not alone! To help you do just that, Costco offers the Smoking Cessation Program — supportive services available to you and family members age 18 and older enrolled in the Costco Employee Benefits Program.

The Smoking Cessation Program gives you the maximum flexibility so you'll have the maximum chance at success. You can mix and match covered services and supplies anyway you want. Best of all, there's absolutely no cost to you for covered charges.

Treatment options offered by the program include:

- **QuitNet Web Site**, link from www.costcobenefits.com, to learn more about the program, access personalized content, chat with other participants, or contact QuitNet counselors by e-mail.
- **Personal coaching**, up to five supportive telephone calls from a trained QuitNet counselor at a time and place convenient for you. Plus, you can call QuitNet as often as you want, at **1-866-218-7719** toll-free, Monday through Saturday.
- **Nicotine Replacement Therapy (NRT)**, over-the-counter nicotine replacement therapy in the form of Nicorette Gum, Nicoderm Patches or Commit Lozenges. Whichever form you elect, the program covers the dosage generally accepted by the medical profession needed to complete your treatment.

Many tobacco users have to try two or more times before they quit for good. If you have a relapse, you can re-enroll and order another course of Nicotine Replacement Therapy. Up to two courses of NRT are covered per calendar year.

Note: This program doesn't cover prescription medications. However, certain drugs prescribed by your doctor for smoking cessation (Wellbutrin, Bupropion and Chantix) may be eligible for coverage under the Prescription Drug Program.

Smoking Cessation Program is administered by Healthways QuitNet®. To enroll:

- Call QuitNet toll-free at **1-866-218-7719** or
- Link to the Quit Net web site from www.costcobenefits.com under "Get Healthy, Stay Healthy."

DENTAL PLANS

Your dental plan benefits will depend on the plan option in which you are enrolled (Core Plan or Premium Plan), the services you receive, and whether you go in-network to a PPO participating dentist or to a non-participating dentist.

While the plans covered charges of any licensed qualified dentist, usually your best bet is to seek out a network participating dentist whenever you need care. Here's why:

1. For covered in-network services:

- Most charges are paid at a higher in-network level.
- PPO participating providers have agreed to provide their services at discounted rates. That helps keep your share of the cost down.
- After you pay any deductibles or coinsurance, there will be no further charges to you (unless you've exceeded a lifetime or annual maximum benefit).

2. For covered out-of-network services:

- Most charges are paid at a lower, out-of-network level.
- Costs are reimbursed based on Reasonable and Customary (R&C) rates, that is, standard rates determined by Aetna. R&C charges are generally higher than discounted PPO rates, so your share of the cost will likely be higher, too.
- A non-PPO provider may charge even more than R&C, in which case you'll have to pay that excess in addition to any deductibles or coinsurance.

Predetermination of benefits. Anytime you're scheduled to have dental treatment that may cost \$250 or more, be sure your dentist requests a predetermination of benefits from Aetna. This will give you an advance estimate of:

- The services or procedures your plan may cover,
- The amount your plan is likely to pay for the treatment, and
- What your financial responsibilities may be.

Alternative treatments. If more than one service can be used to treat your dental condition, the plan's benefits will be based on the least costly service (not counting porcelain crowns). Of course, that's only if the alternate treatment meets broadly accepted national standards of dental practice.

COSTCO DENTAL PLANS IN BRIEF

Plan Benefits	Core Plan In Network	Out of Network	Premium Plan In Network	Out of Network
Annual deductible	\$50 individual, \$150 family		\$50 individual, \$150 family	
Annual maximum benefit (doesn't apply to Preventive or Orthodontic Care)	\$1,500		\$2,000	
Preventive care such as exams and cleanings twice per year	Paid 100% no deductible	Paid 100% R&C no deductible	Paid 100% no deductible	Paid 100% R&C no deductible
Basic services such as fillings, extractions, root canals, periodontics (treatment of gums and soft tissues)	Paid 85% after deductible	Paid 80% R&C after deductible	Paid 85% after deductible	Paid 80% R&C after deductible
Major services such as crowns, bridges, dentures, implants	Paid 55% after deductible	Paid 50% R&C after deductible	Paid 55% after deductible	Paid 50% R&C after deductible
Orthodontic services	Paid 50% no deductible. Lifetime-maximum benefit: \$1,250 per person		Paid 50% no deductible. Lifetime-maximum benefit: \$1,500 per person	

WHAT THE PLANS DON'T COVER

Costco healthcare plans don't cover certain expenses, while benefits for other expenses are subject to strict limitations. The following abbreviated list includes examples of some of these benefit exclusions and limitations.

For a detailed list, be sure to refer to the Costco Employee Benefits Program Summary Plan Description.

Have questions about what's covered, what's not? To discuss your personal situation, please feel free to call Aetna Customer Service at:

- **1-800-814-3543** for medical
- **1-800-218-1458** for dental

Examples: Healthcare Plan General Exclusions

- Charges payable under any motor vehicle medical, motor vehicle no-fault, uninsured motorist, under-insured motorist, personal injury protection (PIP), commercial liability, homeowner's policy or other similar type of coverage.
- Claims submitted more than one year after the date of service
- Court ordered counseling or alcohol or substance abuse treatment, unless the care would otherwise be eligible for plan benefits, for example, referred by Care Network and approved by Unicare.
- Custodial care, that is, services or supplies primarily to assist an individual in activities of daily living, rather than for the treatment of a medical condition.
- Services and supplies related to workers compensation cases or similar injury or illness arising in the course of any employment for wage or profit.
- Experimental or investigative care or therapy, unless:
 - the disease can be expected to cause death within one year, in the absence of effective treatment,
 - the treatment shows promise of being effective for that disease as demonstrated by scientific data and
 - the treatment is approved by a medical panel of experts selected by the plan administrator.
- Medical food or any other food except for medically necessary food supplements ingested through a stomach tube and phenylketonuria (PKU) baby formula, prescribed by a physician.
- Sex therapy or treatment, including treatment of gender identity disorders or sexual dysfunction.
- Emergency room care services for a non-emergency condition.
- Removal of scars or tattoos.
- Treatment of any condition that results from commission of a crime or treatment while confined in jail.

Examples: Specific Medical Plan Exclusions

1. Abortions unless deemed medically necessary because the life of the mother is in danger if the child is carried to full term; or in cases of incest, rape or genetic or congenital deformities.
2. Cosmetic surgery, except if medically necessary:
 - due to deformities resulting from a non-occupational accident,
 - due to illness or congenital defects that resulted in functional impairment,
 - for any congenital defect of a newborn child, or
 - to reconstruct a breast following a mastectomy. To be eligible for cosmetic surgery benefits, the person must have been enrolled for plan coverage at the time of the accident, illness or mastectomy or in the case of a child with a congenital defect, at the time of birth, adoption or placement for adoption.
3. Dental care, orthodontics, or oral surgery except for medically necessary care for injury to sound natural teeth.
4. Treatment of temporomandibular joint disorder (TMJ) or other jaw disorders that exceeds \$2,000, which is the maximum lifetime benefit payable for the entire time you have Costco medical plan coverage.
5. External prostheses to replace prostheses due to loss, theft or destruction; biomechanical external prosthetic devices.
6. Eye surgery on a voluntary basis, such as Lasik, keratotomy or similar procedures to correct eyesight.
7. Assisted Reproductive Technologies to assist or promote conception or fertilization; in-vitro fertilization, artificial insemination, or embryo transfer procedures; reversal of sterilization procedures such as vasectomies or tubal ligations.
8. Except for a child under age 7 with autism or other Pervasive Developmental Disorder (PDD):
 - treatment of learning disabilities or developmental delays including related services, education testing, biofeedback or training or
 - speech therapy to correct pre-speech deficiencies or to improve speech skills that have not fully developed.
9. Maternity benefits for any family member other than enrolled spouses or domestic partners
10. Obesity or weight reduction services or supplies except as described for weight management services under "Wellness and Health Improvement Benefits."
11. Massage therapy.
12. Home births, including related supplies and services

Examples: Specific Vision Care Plan Exclusions

1. Non-prescription eyeglasses or contact lenses.
2. Replacement of lost or broken frames or lenses.

3. More than one set of covered eyewear per year.

Examples: Specific Prescription Drug Program Exclusions

1. Drugs to promote fertility or conception, regardless of the intended use.
2. Medications that can be dispensed without a prescription, except for Over the Counter (OTC) medications purchased at a Costco Pharmacy and prescribed by your doctor as described in the "Prescription Drug Program" section.
3. Replacement of lost, broken, destroyed or stolen prescriptions.
4. Prescription drugs for smoking cessation, other than Wellbutrin, Bupropion and Chantix.
5. Hair restoration medication (such as Propecia); drugs and medications for weight loss; Retin-A, other than for treatment of acne.
6. Viagra, or similar drugs and medications, taken for treatment of impotence or sexual dysfunction.

Examples: Specific Mental Health and Substance Abuse Plan Exclusions

1. Facility services not pre-approved by the Care Network, other than emergency care for Level 1 care in an Acute Psychiatric Facility or Chemical Dependency Rehabilitation Facility.
2. Outdoor treatment programs, also commonly called Wilderness Programs.

Examples: Specific Smoking Cessation Program Exclusions

1. Prescription drugs for treatment of tobacco cessation.
2. More than two courses of covered nicotine replacement therapies for smoking cessation per year.

Examples: Specific Dental Plan Exclusions

1. Consultations or elective second opinions.
2. Cosmetic dentistry, including teeth bleaching.
3. Cost of synthetic composite or filled resin restoration in excess of the cost of an amalgam (silver) filling.
4. A crown on the same tooth, unless there has been a two year period since the previous crown was installed.
5. Desensitizing agents; analgesics such as nitrous oxide, conscious sedation or euphoric drugs, injections or prescription drugs; general anesthesia/intravenous (deep) sedation, except for covered oral, periodontal or endodontic surgical procedures (doesn't apply to Novocaine).
6. Habit-breaking appliances.
7. Temporomandibular joint (TMJ) treatment.
8. Treatment by other than a dentist except for scaling or cleaning of teeth and topical application of fluoride by a licensed dental hygienist under the supervision and guidance of a dentist.

Your Map to Costco DISABILITY INSURANCE PLANS

If you're ever unable to work due to disability, that could seriously disrupt your life — and your finances. These plans can replace a portion of your lost income until you're ready to get back on your feet.

If you're enrolled for Voluntary STD, the plan will pay weekly benefits early in your disability. Then, if you're still disabled when your short-term disability benefits end, Long Term Disability can step in to replace a portion of your monthly benefits.

Please see your Costco Employee Benefits Program Summary Plan Description (SPD) for details about any information included in this section, including how these plans work, the benefits they pay, and exclusions and limitations.

PLANS AT A GLANCE

Voluntary Short Term Disability (STD) Insurance, administered by Unum, **1-877-403-9348** for all hourly employees. This does not include employees in California, New York, New Jersey, Hawaii who have state-mandated plans. If your location is in any of these states, contact your payroll or Benefits Representative for more information.

Costco Salary Continuation Plan for salaried employees — to find out more, contact the Costco Employee Benefits Department.

Long Term Disability (LTD) Insurance for hourly and salaried employees, administered by Unum, **1-877-403-9348**.

PLAN FACTS

Special Voluntary STD Enrollment Rules. If the plan is available in your state and you're an eligible hourly employee, enrollment is automatic:

1. Your coverage, for which you'll pay the full cost, will begin on your Voluntary STD benefit effective date. That is, the first of the month after:
 - 90 days of service (most hourly employees) or
 - date of hire (full-time hourly pharmacists and hearing aid specialists).]
2. During your initial eligibility period you can decline coverage online or via the Costco Enrollment Center. As you approach your benefit effective date, Costco will send you information about your options for declining coverage.
3. If you don't decline Voluntary STD during initial eligibility, your coverage will continue for the rest of the calendar year. Your next chance to decline will be Annual Open Enrollment.

Also, enrollment is automatic and coverage starts the date of the event anytime you change from salaried to eligible hourly (provided the plan is available in your state) or you move from a location with a state-mandated plan to one without. In either case, you'll receive notification from Costco along with your options for declining coverage.

Delay of Coverage. If you're not actively at work when your Voluntary STD or Long Term Disability Insurance coverage is due to begin, that coverage won't start until the day after you've been back on the job for one full day.

How the Voluntary STD and LTD Plans Work to Pay Your Benefits. To receive benefits from the Costco Disability Insurance Plans, your first step is to contact Unum when you become disabled. Unum will guide you through the claims process step-by-step. Briefly:

- **To qualify for plan benefits,** You must work an average of 10 hours a week prior to the date you become disabled. You must be “disabled” as defined by that particular plan and be under a physician’s regular care. Before payments may begin, you must submit a claim for benefits along with proof of your disability for review and approval by Unum.
- **If, due to your disability,** you qualify for income from another source such as Social Security, your Costco Disability Insurance Plan benefits will be reduced dollar-for-dollar by the payments from the other source. Combined, you’ll get up to — but no more than — what your Costco plan would pay alone.
- **If you continue to be disabled after Voluntary STD,** Salary Continuation, New York or Hawaii state benefits end, Unum will automatically coordinate your transition to LTD as appropriate. If you’ve been receiving benefits from any other source (such as Workers’ Compensation or the California or New Jersey state plans) or not getting any short-term disability benefits at all, you’ll have to file your own LTD claim.
- **LTD benefits are subject to income and Social Security/ Medicare taxes** because Costco pays for your LTD coverage. Any Voluntary STD benefits you get are not taxable because you pay the full cost of that coverage.

Q&A:

Q: What will happen to my disability plan benefits if I return to work while still disabled?

A: Lots of Costco employees feel ready to get back at least on a reduced basis before they’re fully recovered. If that includes you, subject to approval by Unum and Costco, you can continue to receive benefits while you work. Combined, your paycheck plus plan benefits will add up to more than you’d get from the plan alone.

When Plan Benefits Will Stop. Your payments from the Disability Insurance Plans will stop on the earliest of the date you:

- no longer meet the plan’s definition of “disability,”
- don’t provide proof of your disability when asked by Unum,
- earn more than 80% of your indexed pre-disability earnings,
- refuse to receive recommended treatment,
- are no longer under the care of a doctor,
- refuse a position offered by Costco that pays more than 60% of your pre-disability earnings,
- reach the plan’s maximum payment period, or
- die.

VOLUNTARY STD INSURANCE

If you qualify, the Voluntary STD Insurance Plan will begin to pay weekly benefits after you have been disabled for seven consecutive days. For this plan, “disabled” means, due to a non-work related illness or injury or to a pregnancy, you are unable to:

- perform your regular job (or reasonable alternative) or
- earn at least 80% of your base weekly earnings.

Voluntary STD benefits equal 60% of your base weekly earnings, from a minimum of \$25 to a maximum of \$1,000 per week. As long as you continue to qualify, payments may continue for up to 26 weeks counted from your first day away from work.

“Base weekly earnings” for Voluntary STD Insurance means your hourly wage converted to a weekly average over the eight pay periods before you became disabled. It doesn’t include any extra compensation, such as overtime pay or bonuses.

LONG TERM DISABILITY (LTD) INSURANCE

The LTD plan will begin to pay monthly benefits after you've been disabled for 180 consecutive days. For this plan, "disabled" means, as a result of an illness, injury or any other medical condition:

1. **During your first nine months of LTD**, you're unable to:
 - perform your regular job (or reasonable alternative) or
 - earn at least 80% of your pre-disability monthly earnings.
2. **After nine months of LTD**, you're unable to do any job for which you're reasonably fitted by education, training or experience.

What the plan pays. If you qualify, your gross monthly LTD benefit will equal 60% of your base monthly earnings. "Gross benefit" refers to your benefit amount before:

- taxes are withheld or
- reduction for disability income from another source.

The maximum payment is \$8,000 per month, the minimum is \$100 per month.

"Base monthly earnings" for Long Term Disability Insurance means:

- hourly employees — your average hourly wage over eight pay periods prior to your disability, converted to a monthly average.
- Salaried employees — your current annual salary divided by 12.

In addition to your monthly LTD benefits, the plan features:

1. **Healthcare Protect Benefit**, a monthly benefit designed to help you pay the costs of COBRA or other continued healthcare coverage. If you qualify, these additional payments will:
 - begin after six months of LTD and continue for up to 12 months, and
 - equal \$300 (part-time employees) or \$500 (full-time employees) per month.
2. **Survivor Benefit**, a lump sum equal to three times your gross monthly payment if you die while receiving LTD benefits.

LTD Maximum Payment Period. As long as you remain disabled under the plan:

- For most disabilities, payments will continue until you reach age 67 (payments will be extended past age 67 if you become disabled after age 62).
- For disabilities due to mental illness or a self-reported symptom, payments will continue for a maximum of 18 months (except if you're hospitalized). "Self-reported symptoms" are those that can't be verified by tests or exams according to accepted medical standards. For example, this might include fibromyalgia, chronic fatigue syndrome, and migraine headaches.

WHAT THE PLANS DON'T COVER

Costco Disability Plans don't cover certain expenses, while benefits for other expenses are subject to strict limitations. The following abbreviated list includes examples of some of these benefit exclusions and limitations. For a detailed list, be sure to refer to the Costco Employee Benefits Program Summary Plan Description.

1. Disabilities due to intentionally self-inflicted injuries.
2. Disabilities that result from your participation in a violent disorder, assault or felony, or an illegal occupation.
3. Any period of disability while you are in jail.
4. For Voluntary STD, disabilities due to job-related illness or injury, including any disability covered by a state Workers' Compensation plan or the Costco Wholesale Corporation Texas Injury Benefit Plan.
5. For LTD, any disability due to a pre-existing condition that occurs within your first 12 months of coverage. A "pre-existing condition" means an illness, injury or other medical condition for which, three months before LTD coverage began, you:
 - received medical care, consultation, or diagnosis,
 - took prescribed drugs or medicines, or
 - had symptoms for which an ordinarily prudent person would have consulted a healthcare provider.

Have questions about what's covered, what's not? To discuss your personal situation, please feel free to call Unum Customer Service at **1-877-403-9348**.

Your Map to Costco SURVIVOR BENEFIT INSURANCE PLANS

If you have a family — or anyone else — who depends on you financially, then life insurance can be essential. Costco's Survivor Benefit Insurance Plans provide protection 24 hours a day, 365 days a week, on or off the job.

If you're eligible, Basic Life and AD&D coverage is automatic. Need extra protection? Then you can buy more coverage under the Supplemental Life and AD&D Plans at affordable group rates.

Please see your Costco Employee Benefits Program Summary Plan Description (SPD) for details about the information in this section, including how these plans work, the benefits they pay, and exclusions and limitations.

Plans at a Glance

Life Insurance, administered by Unum, **1-877-403-9348**:

- Basic Life, automatic for enrolled employees and families
- Supplemental Life, elective for employees and families

Accidental Death and Dismemberment (AD&D) Insurance, administered by Unum, **1-877-403-9348**:

- Basic AD&D, automatic for enrolled employees
- Supplemental AD&D, elective for employees and family members

Business Travel Accident (BTA) Insurance, administered by The Hartford, **1-800-523-2233**, automatic for salaried employees

PLAN FACTS

Your beneficiary. This is the person you name to receive Survivor Benefit Insurance benefits if you die. (You're the automatic beneficiary for enrolled family members.)

When you first become eligible for the Employee Benefits Program, you'll need to submit a "Beneficiary Designation" form to Costco to name your beneficiary. Briefly:

- You can name anyone you want as your beneficiary, different beneficiaries for each plan, and more than one beneficiary per plan.
- You can change your beneficiary anytime by submitting a new Beneficiary Designation form.
- If you've designated your spouse, then get divorced, your designation will be revoked automatically. To re-name him or her or anyone else as your beneficiary, you'll have submit another Beneficiary Designation form.

Beneficiary Designation forms are available at www.costcobenefits.com or from your payroll or Benefits Representative.

Q&A

Q: My spouse and I are both Costco employees. Can we cover each other for Life and AD&D?

A: Sure! All the Survivor Benefit Plans, including Basic and Supplemental Life and AD&D, allow for "double coverage." That means, if there are two benefits-eligible employees in your household:

- Each of you can be covered twice, once as an employee and once as a family member. (The combined maximum benefit is \$1.3 million per person for Supplemental Life and \$1.5 million per person for Supplemental AD&D.)
- Your eligible children can be covered twice, once by each of you.

Annual Earnings. Costco Survivor Benefit Insurance Plans use your base annual earnings to determine your benefit coverage. For this plan, "base annual earnings" means:

- For hourly employees, base hourly wage times 2,080 hours (full-time employees) or 1,560 hours (part-time).
- For salaried employees, current annual pay.

Delay of Coverage. If you're away from work due to illness or injury or on a leave of absence when your Life Insurance coverage is due to begin or increase, the coverage or increase won't go into effect until you've been back on the job one full day.

Reduction of Benefits at Age 70. For employees age 70 and older, Costco Survivor Benefit Plan benefit coverage is reduced to a percentage of the coverage for other employees.

Important! If you're ever diagnosed as terminally ill, contact the Costco Employee Benefits Department as soon as you can. That's because Costco offers special benefit provisions designed with you in mind — but you must act before your eligibility for the Costco Employee Benefits Program ends.

Costco will work with you to apply to Unum for an Accelerated Death Benefit (ADB). If you're approved for the ADB:

- You'll be able to receive payment of up to 75% of your Basic and Supplemental Life Insurance benefits now — with the balance going to your beneficiary after you die.
- Costco will reimburse the full cost of up to 18 months of COBRA coverage for you and your family.
- Your Basic and Supplemental Life Insurance will be continued for up to 24 months, at no charge to you.

Keep in mind, ADB benefits may be taxable to you and might also impact your right to government benefits such as Social Security. To discuss possible implications for you, you should contact a professional tax advisor or attorney.

Making a Claim for Benefits. Unless you or your beneficiaries elect otherwise, plan benefits are paid in a single lump sum. To get the claims process started, the first step is to get in touch with the Costco Employee Benefits Department. They'll work with you, your beneficiary or authorized representative to coordinate your claim.

Portability After Coverage Ends. Costco life and AD&D insurance is portable for you and your family. That means, if you ever lose eligibility for the Employee Benefits Program, you can take your coverage with you — no proof of good health required. Of course, you'll have to pay the cost (but at affordable group rates).

Costco has made it especially easy to “port” your coverage because we pay the full cost for the first 30 days after eligibility ends. To make sure your coverage continues after that, it's up to you to contact Unum within that period to request a portability information package. This will include the forms you need to apply and a detailed description of your coverage options, how much you'll pay, and your enrollment deadlines.

LIFE INSURANCE

The Basic Life and Supplemental Life Insurance Plans pay the full benefit amounts to beneficiaries of participants who die while covered.

Basic Life Insurance. As shown on the following table, your benefit for this plan is based on your employee classification, annual earnings and years of service. (Eligible family members enrolled for Costco healthcare have automatic coverage of \$1,500 each.)

1. If the multiple of your annual earnings doesn't equal a round amount, your benefit will be rounded up to the next \$1,000.
2. The maximum benefit, no matter your years of service or annual earnings, is \$225,000
3. The IRS considers the value of any Basic Life coverage over \$50,000 to be “imputed income:”
 - You have to pay taxes on the value of that, the same as on any other income.
 - The imputed value is figured based on the value the IRS assigns per \$1,000 of coverage — the older you are, the greater the value.
 - For most employees, this results in a modest additional amount of taxable imputed income. To see exactly how much this represents per paycheck, refer to your pay stub under “TaxLif”.

4. If you're covered by the Executive Life Insurance Plan, your maximum Basic Life coverage is \$50,000.

Supplemental Life Insurance. Supplemental Life Insurance is available in the following amounts. If you elect supplemental coverage for yourself, you may also enroll your eligible family members.

1. **Options for you:** You may elect coverage in \$10,000 increments — \$10,000...\$20,000... \$30,000... and so on.
 - The most you may elect is \$1 million or five times your base annual earnings, whichever's less.
 - If not an increment of \$10,000, your maximum benefit amount is rounded down to the next nearest \$10,000. For example, say you make \$39,000 per year. Your maximum benefit would be \$190,000 ($\$39,000 \times 5 = \$195,000$ rounded down to the next \$10,000).
2. **Options for your family:**
 - For your spouse or domestic partner, you may elect coverage in \$10,000 increments — from a minimum of \$10,000 to a maximum of \$300,000 or 50% of your Supplemental Life Insurance, whichever's less. For example, if your elected benefit is \$80,000, you may cover your spouse or partner for up to \$40,000 ($50\% \times \$80,000$).
 - For your children, each enrolled child is covered for \$5,000.

Q&A

Q: *If I elect more than \$300,000 in Supplemental Life coverage for myself or \$150,000 for my spouse during initial enrollment, what happens if Unum rejects our elections based on our Evidence of Insurability?*

A: As long as you elect this benefit when first eligible, you'll still qualify for coverage up to the “guaranteed amounts” — that is \$300,000 for you or \$150,000 for your spouse. This applies whether or not the insurance company accepts your EOI.

BASIC LIFE INSURANCE BENEFITS IN BRIEF

If you are:	With this much service:	Your plan benefit is:
A salaried or full-time employee	0 up to 2 years 2 up to 5 years 5 or more years	1 x Annual Earnings 2 x Annual Earnings 3 x Annual Earnings
A part-time employee	Any number of years	\$15,000
Eligible for Executive Life Insurance	Any number of years	\$50,000

Evidence of Insurability (EOI). You will be required to provide Unum with EOI (otherwise known as “proof of good health”) anytime you:

- Elect more than \$300,000 in Supplemental Life Insurance for yourself or \$150,000 for your spouse or domestic partner,
- Add coverage after previously declining it, or
- Increase current coverage by more than \$20,000 (for you) or \$10,000 (for your spouse or domestic partner).

EOI may include a health questionnaire or, depending on your situation, a physical exam or lab tests. When EOI is required, Unum must approve your application before your Supplemental Life Insurance election will go into effect. To check on the status of your application, you can call Unum 1-877-403-9348, toll-free.

AD&D INSURANCE

The Basic and Supplemental AD&D Insurance Plans pay benefits when a participant dies or has certain other physical losses within 365 days after a covered accident.

1. Basic AD&D is automatic for eligible employees — it is not available to family members. However, you may elect Supplemental AD&D Insurance for yourself only or yourself and your family.
2. Plan participants are covered by a “primary benefit” amount. Plan payments equal a percentage of the primary benefit, based on the nature of the injury.
3. If you have two or more covered losses, AD&D will pay for all losses up to your primary benefit amount.
4. AD&D death benefits are in addition to any paid by the Costco Life Insurance Plans.

Basic AD&D for You. As follows, your Basic AD&D primary benefit depends on your employee classification and annual earnings. If the multiple of your annual earnings doesn’t result in a round amount, your benefit will be rounded up to the next \$1,000. In any case, the maximum benefit is \$225,000.

AD&D pays this % of the primary benefit:

- 100% for loss of life; both hands or both feet; sight in both eyes; one hand and one foot; one hand and sight in one eye; one foot and sight in one eye; or speech and hearing (both ears)
- 100% for total paralysis of upper and lower limbs
- 75% for paralysis of both lower limbs
- 50% for total paralysis of upper and lower limbs on one side of the body
- 50% for loss of one hand or one foot; speech or hearing (both ears); sight in one eye; or one arm and one leg on the same side of the body
- 25% for loss of thumb and index finger on the same hand

BASIC AD&D INSURANCE

If you are a:	With this much service:	Your primary benefit is:
A salaried or full-time hourly employee	0 up to 2 years	1 x Annual Earnings
	2 up to 5 years	2 x Annual Earnings
	5 or more years	3 x Annual Earnings
A part-time employee	Any number of years	\$15,000

Supplemental AD&D for You. For employees, Supplemental AD&D primary benefit amounts are available in \$50,000 increments:

- If you earn \$25,000 or less per year, you may elect any amount from \$50,000 up to \$250,000.
- If you earn more than \$25,000 per year, you may elect any amount from \$50,000 up to the lesser of 10 times annual earnings or \$1.5 million.

Example: How AD&D Insurance Pays Employee Benefits. A Costco employee has a Basic AD&D primary benefit of \$50,000 plus Supplemental AD&D Insurance with a primary benefit of \$100,000.

Special AD&D Benefits. In special situations, the AD&D plans may pay additional benefits — for more information, contact Unum. Examples include:

- Seat belt benefit, if a participant dies due to a car accident while wearing a seat belt.
- Education benefit, to help pay the cost of education or training of your family if you die.
- Assist America Inc., 1-800-872-1414, a program to help cover the costs of a medical emergency while you're traveling far from home, here or abroad.

For accidental losses covered at this % of the full benefit:	Basic AD&D pays:	Supplemental AD&D pays:	For a combined total of:
100%	\$50,000	\$100,000	\$150,000
75%	\$37,500	\$75,000	\$112,500
50%	\$25,000	\$50,000	\$75,000
25%	\$12,500	\$25,000	\$37,500

Supplemental AD&D for Your Family. If you enroll in the “employee and family” option, all your eligible family members will be covered. The primary benefit for each will equal a percentage of your primary benefit determined by the make-up of your family.

1. **If you have a spouse or domestic partner,** his or her primary benefit will equal 55% of yours (if you have dependent children) or 65% (no dependent children).
2. **If you have dependent children,** each child’s primary benefit will equal 10% of yours (if you have a spouse or domestic partner) or 20% of yours (no spouse or domestic partner). The maximum benefit per child is \$50,000.

Example: How Supplemental AD&D Pays Family Benefits. A Costco employee is married with two young children. He elects \$100,000 Supplemental AD&D for himself and “Employee and Family” coverage.

- His wife’s primary benefit: \$55,000 (\$100,000 x 55%)
- Each child’s primary benefit: \$10,000 (\$100,000 x 10%)

For losses paid at this % of the benefit	Supplemental AD&D Pays for His Wife	Supplemental AD&D Pays for Each Child
100%	\$55,000	\$10,000
75%	\$41,250	\$7,500
50%	\$27,500	\$5,000
25%	\$13,750	\$2,500

BUSINESS TRAVEL ACCIDENT (BTA) INSURANCE

If you're a salaried employee, the BTA Insurance Plan automatically covers you while traveling on Costco's behalf. This includes travel on a company business trip, relocating, or on your regular commute between home and work. It also covers eligible family members traveling with you on an approved business trip or relocation (but not on your commute).

Benefits from this plan are in addition to any paid by other Costco plans, such as AD&D Insurance. Similar to the AD&D plans, BTA will pay benefits if you die or have certain other injuries due to a covered accident. Depending on the loss, the payment amount will equal a percentage of the following primary benefit amounts:

- For you, \$250,000
- For your spouse or domestic partner, \$100,000
- For your children, \$15,000 each

WHAT THE PLANS DON'T COVER

Costco AD&D and Business Travel Insurance Plans don't cover certain expenses, while benefits for other expenses are subject to strict limitations. The following abbreviated list includes examples of some of these benefit exclusions and limitations. For a detailed list, be sure to refer to the Costco Employee Benefits Program Summary Plan Description.

1. Intentionally self-inflicted injuries while sane or self-inflicted injuries while sane or insane.
2. Losses resulting from war or act of war, whether declared or undeclared; or received while in any armed services of any country or international authority.
3. Losses due to an accident that occurs while the person was presumed to have been driving a vehicle under the influence of alcohol, based on a blood-alcohol level governed by the laws of the state in which the accident occurred.
4. Losses due to voluntary use of any controlled substance, unless prescribed by a physician and taken in accordance with the physician's directions.
5. Losses resulting from travel or flight while acting as or performing the duties of a pilot or crew member or flight instructor or examiner in any kind of aircraft. This includes flying in any aircraft owned or operated by Costco, unless previously consented to in writing by the insurance carrier. (Special policies are available for employees on file with Costco as authorized airplane pilots or crew members.)

Have questions about what's covered and what's not?

To discuss your personal situation, please feel free to call Unum Customer Service at **1-877-403-9348**.

Special AD&D Benefits. In special situations, the AD&D plans may pay additional benefits — for more information, contact Unum. Examples include:

- Seat belt benefit, if a participant dies due to a car accident while wearing a seat belt.
- Education benefit, to help pay the cost of education or training of your family if you die.
- Assist America Inc., 1-800-872-1414, a program to help cover the costs of a medical emergency while you're traveling far from home, here or abroad.

Your Map to Costco REIMBURSEMENT ACCOUNTS

These plans make it easy and convenient for you to pay eligible expenses with tax-free money — and that can mean sizable savings for you!

Please see your Costco Employee Benefits Program Summary Plan Description (SPD) for details about the information in this section, including how the plans work, what's eligible for reimbursement, and exclusions and limitations.

Plans at a Glance

Reimbursement Accounts (also known as Flexible Spending Accounts or "FSAs"), administered by Aetna, **1-888-238-6626**:

- 1. Dependent Care Assistance Plan (DCAP)**, to help pay for the care of your eligible children under age 13 or other dependents while you work
- 2. Health Care Reimbursement Account (HCRA)**, to help pay for your out-of-pocket health care costs not covered by any other plan.

PLAN FACTS

Special DCAP Enrollment Rules. You may enroll in the plan during your initial eligibility period or during the Annual Open Enrollment period held each fall. In fact, to keep participating from one year to the next, you must re-enroll at that time.

Other than initial or Annual Open Enrollment, you may add, drop or increase or decrease contributions within 30 days after an appropriate change in your family, personal or childcare circumstances. This might apply, for example, if:

- Your child turns age 13 or is otherwise no longer eligible.
- You add a new baby or other eligible dependent to your family.
- You change childcare providers or your provider revises his or her charges.

For more about making mid-year changes, see the "Eligibility and Enrollment" section of this booklet.

Special HCRA Enrollment Rules. You may only enroll in this plan or change your current elections, including contribution amounts, during Annual Open Enrollment. Mid-year changes are not allowed.

Basic Mechanics. While there are some differences between the plans (as described later in this section of the booklet), they basically work much alike:

- 1. You make your elections.** When you enroll, you decide how much you want to contribute to either or both Accounts for the year. Each plan has a separate annual dollar contribution limit.
- 2. Your contributions are withheld.** The amount you've elected to contribute comes out of your bi-weekly paychecks in equal amounts throughout the year, before taxes are withheld. Your contributions go directly into the Account or Accounts of your choice.
- 3. You incur an eligible expense.** Your DCAP Account will reimburse eligible dependent care expenses you incur during the calendar year in which you've elected to participate. Your HCRA Account will reimburse eligible healthcare expenses you incur up until March 15 following the end of the calendar year in which you've elected to participate.
- 4. You get reimbursed.** The applicable plan will reimburse your eligible expenses from the balance in your Account. As described later in this section of the Highlights, each plan works in a slightly different way to pay your claims. However, these rules apply to both:
 - If you pre-pay for services, generally you must wait until after you receive the services to get reimbursed. For example, say you pay for October daycare on the 1st of the month. You can submit your claim at that time but the plan won't reimburse those expenses until after the end of the month. (Orthodontic services are the exception — for more information, call Aetna customer service.)
 - The deadline for submitting paper reimbursement claims to the DCAP or HCRA is April 30 after the year of your participation.
- 5. "Use It or Lose It."** After the claims submission deadline, when you've been reimbursed for all eligible expenses incurred during the plan year, the tax codes says you must forfeit any money left in your Account or Accounts. That means, before you decide how much to contribute each year, it's important to be realistic when estimating upcoming costs.

To learn more about how these plans work, go to www.costcobenefits.com then click "Reimbursement Accounts." From there you can link to:

1. www.aetna.com/fsa, to learn plan basics, use tax savings calculators, or see detailed lists of eligible expenses on the IRS web site.
2. Aetna Navigator, where you can check on the progress of a claim, elect direct bank deposits of plan payments, and see your current Account balance.

The Before-Tax Advantage. Account contributions are taken out of your paycheck before federal income, Social Security/Medicare and, in most places, state and local taxes are withheld. That reduces your taxable income and, consequently, your tax bill. And, as everyone knows, lower taxes can mean more money in your pocket!

Then, when you pay eligible expenses, you're paying those amounts with tax-free money — that's where your savings come in.

How much will you save? Of course, that depends on your personal situation. For example, the general rule is the higher the income tax bracket, the higher the tax-break. Plus, if you pay state income taxes, you're likely to save even more because contributions are exempt from those taxes in most states.

For a quick estimate of your potential savings, go to www.costcobenefits.com to link to the tax calculator at aetna.com/fsa.

The Reimbursement Accounts let you save money on your taxes — and that means the federal Tax Code strictly governs how they work, costs eligible for reimbursement and your responsibilities as a participant. For example, each year you're in the DCAP, you must file a special dependent care expense form along with your federal income tax return.

Also, you should be aware that there may be alternative ways to get a tax-breaks on eligible costs such as through the federal:

- dependent care tax credit or
- deduction for medical costs exceeding 7.5% of your income.

In general, you must choose the federal tax break or a Reimbursement Account, not both. Many Costco employees may find that the Accounts offer potentially bigger savings — but, as with any tax issues, it's always a good idea to consult with a professional tax advisor.

DEPENDENT CARE REIMBURSEMENT ACCOUNT (DCAP)

You can use the DCAP to pay for the costs of most non-educational, non-medical care of your eligible dependents (but not overnight camp).

To qualify, you must use the services of eligible providers — and the purpose of the care must be to allow you and, if you're married, your spouse to be gainfully employed. "Gainful employment" includes actively looking for work.

1. Eligible dependents include your children under age 13. It may also include other family members, such as your spouse or elderly parents, who are totally disabled and you can claim as dependents for taxes. Domestic partners or their children are not eligible.

2. Eligible dependent care providers include:

- Licensed daycare centers
- Babysitters inside or outside your home.
- Your family members with some exceptions such as your spouse, the parent of your child under age 13, anyone you claim as a dependent, or your child under age 19.

When you file a claim, you'll need to include your provider's Tax ID, which usually means his or her Social Security Number (doesn't apply to churches or other tax-exempt organizations). Your provider will have to declare the amount you pay for income tax purposes.

3. Your maximum annual contribution to the DCAP is \$5,000 (\$2,500 if married filing taxes separately) or, if less, the amount your spouse earns per year. If you're married, these annual limits apply to the combined total you and your spouse may contribute to this or any other employer's DCAP.

4. The DCAP reimburses eligible expenses you incur during the year (January 1 through December 31) you've elected to participate. To get reimbursed, you must submit a reimbursement claim form to Aetna. Claim forms are available at www.costcobenefits.com or from your payroll or Benefits Representative:

- The deadline for submitting a claim for expenses is April 30 following the year in which you participate.
- If there's not enough money in your DCAP Account at the time of the claim, Aetna will send you a partial payment. The balance will come later after you've made any further contributions.
- At your option, you can receive payment as a check or as a direct deposit to your bank account.

Q&A

Q: My spouse is a full-time homemaker. Can I still use the DCAP to pay someone to take care of our young children?

A: Probably not. The exception is if your spouse is a full-time student or totally disabled, in which case tax law says you may be reimbursed for eligible costs up to:

- \$200 per month (if you have one eligible dependent) or
- \$400 per month (two or more).

HEALTH CARE REIMBURSEMENT ACCOUNT (HCRA)

You can use the HCRA for eligible healthcare expenses incurred by you, your spouse or your dependent children (but not your domestic partner or his or her children) — just as long as those costs aren't covered by any other plan.

1. Eligible healthcare expenses are regulated by federal tax law. Since the list may change from time to time, for the most up-to-date information link to the Aetna FSA site at www.costcobenefits.com or call Aetna FSA.
2. The minimum contribution is \$120 per year. The maximum contribution per household is \$5,000 (full-time employees) or \$2,500 (part-time employees) per year.
3. The HCRA reimburses eligible expenses you incur during the year you've elected to participate through the following March 15. After you incur an expense, you'll be reimbursed up to the full amount of your elected annual contribution (minus any previous reimbursements).

HCRA Expenses: Examples of what's eligible:

- Your healthcare plan out-of-pocket costs, such as deductibles, coinsurance, co-pays, and any costs that exceed allowed charges.
- Costs that our healthcare plans may only cover partially, such as acupuncture; chiropractic services; orthodontic services; mental health services
- Costs that our healthcare plans don't cover at all, such as extra eyeglasses; prescription sunglasses; guide dogs; infertility treatment; laser eye surgery to correct vision; over the counter medicine like aspirin, pregnancy kits and anti-lice shampoo

Examples of what's not eligible:

- Healthcare premiums, including Medicare premiums
- Cosmetic treatment or procedures unless medically necessary
- Weight control services or supplies unless medically necessary
- Long term care
- Claims for domestic partners and their children

How the HCRA Reimburses Claims. Your eligible healthcare costs may be paid in one of the following two ways:

1. **Streamlining.** Unless you elect otherwise, the plan will "streamline" most of your eligible expenses — and that makes reimbursement a snap for you! (Sorry — streamlining is not available if you've enrolled your domestic partner for healthcare coverage).

With streamlining:

- Aetna automatically pays your eligible out-of-pocket expenses whenever they process your healthcare claims and
- Costco and Designated Participating Pharmacies will deduct your co-pays for covered prescription medication directly from your Account at time of purchase.

2. **Reimbursing a claim filed by you.** If you have streamlining, you'll only have to submit a claim form, along with proof of your expense, to Aetna for certain costs. such as:

- co-pays for covered Over-the-Counter medications,
- covered expenses not paid by your Costco healthcare plans, for example, laser surgery, and
- if you're in Hawaii, expenses you incur under your HMSA medical plan.

The deadline for submitting a claim form is April 30 after the year you've elected to participate. Reimbursement claim forms are available at www.costcobenefits.com or from your payroll or Benefits Representative. At your option, you can receive payment as a check or as a direct deposit into your bank account.

Your Map to Costco LONG TERM CARE INSURANCE PLAN

Who knows what the future will bring? The plain fact is, sooner or later many of us may need ongoing help with everyday living due to mental or physical disability. Whether that means a nursing home stay, assisted living services, or even home care, the costs can be sky-high.

With the LTC Insurance Plan, you can take steps now to help pay those potential costs tomorrow.

Please see your Costco Employee Benefits Program Summary Plan Description (SPD) for details about any information included in this section, including how this plan works, the benefits it pays, and exclusions and limitations.

Plans at a Glance

Long Term Care (LTC) Insurance Plan for Costco employees, administered by Unum, **1-877-403-9348**:

- Basic Benefits, which cover professional care in a variety of settings.
- Buy-Up Options, which let you buy an enhanced level of protection.

Individual LTC Policies, administered by Unum, **1-877-403-9348**:

- Available at Costco group rates to your relatives, including eligible parents, grandparents, siblings, even the adult children of you or your spouse or domestic partner.
- For more information, family members should contact Unum directly and mention the Costco plan.

PLAN FACTS

Special LTC Enrollment Rules. Unum will send you a Long Term Care Enrollment Package when you first become benefits-eligible. (You can also call Unum to request one.) The package includes details about how to complete enrollment, including your rates for coverage, along with all the necessary application forms. Briefly:

1. You may enroll for LTC Insurance or add Buy-Up options anytime after you become eligible for the Costco Employee Benefits Program (unless you decline Program coverage altogether).
2. You may enroll your spouse or domestic partner for an individual LTC policy, even if you decline coverage for yourself. You'll pay the full cost of his or her coverage through payroll deductions.

3. Evidence of Insurability (EOI), otherwise known as "proof of your good health," is usually required to elect coverage or add Buy-Up Options.
 - This applies to you (except during the special enrollment period described below) and always applies to your spouse or domestic partner.
 - As EOI, typically you'll fill out and submit a health questionnaire. Depending on the circumstances, Unum may ask for additional proof, such as a physical exam or lab tests.
 - When EOI is required, Unum must review and approve the application before coverage may begin.
4. Special LTC Enrollment Period. The plan's special enrollment period is held each July. You won't be required to provide Evidence of Insurability to enroll for LTC Insurance or elect Buy-Up options during the first LTC enrollment period after:
 - You become a benefits-eligible employee or
 - Your 10th anniversary as a Costco employee.
5. If you're away from work due to illness or injury or on a leave of absence the day LTC coverage is due to take effect, coverage will be delayed until you return to active employment.

Q&A

Q: I'm 40 and in good health. Why should I buy LTC insurance now?

A: Of course, the choice is yours. But, remember, any of us could end up needing this kind of financial support at any time — not just in our senior years. Can you accurately predict when you may need long term care for a serious on-going illness or injury?

- the less you'll pay for your coverage and
- while Unum has the right to increase costs, the rates you pay in the future will always be based on your age at initial enrollment.

After 10 Years of Service. Once you've completed 10 years as a Costco employee, Costco will begin to pay the full monthly cost of your employee LTC Basic Benefit. What if you don't already have LTC insurance? Then you'll be covered automatically, no special enrollment required from you.

You'll still have to pay for any Buy-Up options — but, remember, you'll be able to add any options you want during the first LTC enrollment period after your 10th anniversary without proof of your good health.

Portability After Coverage Ends. Costco LTC Insurance is portable for you. That means, if you lose eligibility for the Employee Benefits Program, you can take your coverage with you — no proof of good health required. Of course, you'll have to pay the cost (but at affordable group rates).

To make it easy to “port” your coverage, Costco pays the full cost of your current coverage for 30 days after eligibility ends. During that period, you'll be able to cancel your insurance. If you don't, Unum will send you an invoice. To continue your individual policy from then on, you'll have to pay that invoice within the specified deadline.

LTC INSURANCE PLAN

Long Term Care Insurance pays benefits for covered long term or ongoing care, including inpatient, outpatient, even home healthcare services. The kinds of care and level of benefits will depend on your elected coverage, including any Buy-Up Options. Payments go directly to you or your financial representative, not your provider.

- 1. To qualify for benefits,** you must be “disabled” as defined by the plan — for example, need substantial supervision due to mental deterioration or be unable to perform everyday living skills, like dressing or bathing, without lots of help.
- 2. LTC benefits will begin** after you've received covered care for 90 continuous days. Payments may continue to the earliest of these dates:
 - You're no longer disabled under the plan,
 - Your physician's certificate of disability expires,
 - You're no longer receiving covered care, or
 - You've received the payments for the lifetime maximum duration.
- 3. The “facility benefit”** is the maximum monthly amount the plan will pay for inpatient care. Other kinds of covered care are paid at a percentage of the facility benefit. To protect against inflation, the facility benefit is adjusted upward 5% each year you're covered.

4. Buy-Up Options are available to enhance your Basic Benefit. You can pick and choose among the options — each one has its own price tag, for which you'll pay the full cost. For example, you can:

- Increase the facility benefit from \$1,000 (Basic Benefit) up to a maximum of \$6,000 in \$1,000 increments.
- Add total home care to help pay for the services of family and friends, which are not covered by the Basic Benefit.
- **Increase the maximum length of time** that payments may continue for your lifetime — from 36 months (Basic Benefit) up to 72 months, subject to certain dollar limits.

Q&A

Q: Can I drop my LTC Insurance anytime I want?

A: Yes — but you might want to think twice before you do. After all, if you want to re-enroll in the plan later, you may have to provide proof of your good health before Unum will approve your application.

Besides, depending on the age at which you re-enroll, you could end up paying more than you did before.

LONG TERM CARE INSURANCE BENEFITS IN BRIEF

Covered costs	What the plan pays per month
Facility services, benefit including nursing home inpatient care	100% of your elected facility
Assisted living benefit facility services	60% of your elected facility
Adult day care or benefit hospice services	50% of your elected facility
Professional home care benefit	50% of your elected facility
Total home care benefit including non-professional services of friends and family (Buy-Up Option only)	50% of your elected facility

WHAT THE PLAN DOESN'T COVER

The Costco Long Term Care Insurance Plan doesn't cover certain expenses, while benefits for other expenses are subject to strict limitations. The following abbreviated list includes examples of some of these benefit exclusions and limitations. For a detailed list, be sure to refer to the Costco Employee Benefits Program Summary Plan Description.

- Care of disabilities caused by or resulting from war, attempted suicide or self-destruction, commission of a felony, alcoholism or voluntary use of any controlled substance not prescribed by your physician
- Care of disabilities due to a pre-existing condition that occurred during the first six months of coverage, if you were not required to provide Evidence of Insurability to enroll in the plan.
- Care for Loss of Activities of Daily Living or severe cognitive impairment that existed before you became covered by the plan.
- Disabilities while you are outside the United States for longer than 30 days.
- Any periods more than fifteen days in each calendar year during which you are confined in a hospital facility for acute medical care

Have questions about what's covered and what's not?

To discuss your personal situation, please feel free to call Unum Customer Service at **1-877-403-9348**.



BENEFITS

YOUR HEALTH YOUR WEALTH YOUR JOB