

To all employees of C.R. England and related companies,

I'm sending this to give you some information about the upcoming health insurance renewal. Open enrollment begins November 12 and all employees are required to take action, even if currently enrolled or opting out. The Affordable Care Act (ACA), commonly referred to as Obamacare, was designed to make health care more affordable to the majority of Americans, but unfortunately we have not seen this to be the case. New regulations, fees and taxes imposed by the ACA have imposed additional costs on top of already escalating health care costs. Largely for that reason, employee premiums on our Blue Cross Blue Shield (BCBS) health plans are going up by 13% or more this year (exact increase differs for each plan). C.R. England's costs to offer health insurance are going up by an even greater percentage.

As a complement to the BCBS plans, we've added a series of plans from Humana that provide for lower-premium options for those interested. There are a number of additional changes this year in our health plan lineup. The Limited Medical Plans many of our drivers have participated in will be eliminated January 1, 2014. Drivers are invited to enroll in the Humana or BCBS plans. Our dental program was changed October 1, 2013 to Lincoln Financial Group to address issues with claims handling and costs. Waiting periods to obtain coverage for any of our plans will now be the 1st of the month following 60 days of employment. Voluntary program offerings will continue to be in place with the addition of some new carriers that employees have been requesting.

We have also implemented a companywide online enrollment system that will be available November 12 for open enrollment. In order to update everyone's information including dependent and beneficiary information, all employees will be required to access this system even if you do not wish to participate in any benefits by "opting out". We will also have a telephonic customer service center available for those employees who do not have access to a computer or would like to speak with an enrollment specialist. More information will follow from Merge Financial Group shortly.

Merge Financial Group can provide you with more detailed answers, but I will give you a summary of some of the most common questions:

What are the Humana plans? – The Humana plans are basic major medical programs. The base plan is ACA compliant and will cover 80% of your costs after you meet your deductible. Prescription costs are also subject to the deductible so there is no 1st dollar Rx or co-pay available on the base plan. We will be offering two additional Humana plans with richer benefits, including 1st dollar Rx and other coverages at additional cost to the employee.

How will Dental coverage work this year? – Dental will be included in all BCBS programs as it has been in the past. Dental will NOT be included in any of the Humana plans, but voluntary dental coverage will be available at an additional cost.

Will the 5% discount still apply if I take a Health Risk Assessment? – We have eliminated the 5% discount previously available. We continue to believe that the Health Risk Assessment (HRA) is a valuable tool that can help you identify any potential health risks you may not even be aware of and encourage you to continue to take the HRA which will again be available during open enrollment. We have also contracted with a third party disease management group to evaluate

your HRA and work directly with you to manage your health should you need it. This is totally confidential and no information will be sent to your employer.

What are the new premiums? – Below are the upcoming rates for the 2014 program year.

2014 Rates								
0-10 Years								
	Weekly Rates				Monthly Rates			
	Single	Single +1	Single + Children	Family	Single	Single +1	Single + Children	Family
Humana Basic - No Rx, No Dental	\$ 27.55	\$ 66.66	\$ 64.71	\$ 115.55	\$ 119.38	\$ 288.86	\$ 280.39	\$ 500.71
Humana Mid - With Rx, No Dental	37.54	83.95	80.06	139.40	162.69	363.80	346.93	604.06
Humana Plus - \$2,500 GAP With Rx, No Dental	49.28	109.95	101.51	176.31	213.53	476.45	439.88	763.99
BCBS -Value Care	40.82	97.98	N/A	121.33	176.87	424.56	N/A	525.75
BCBS - Broad	42.04	100.78	N/A	123.13	182.16	436.73	N/A	533.54
BCBS HSA	36.94	83.38	N/A	116.05	160.08	361.31	N/A	502.87
BCBS HSA - Broad	38.64	87.53	N/A	121.06	167.44	379.30	N/A	524.61
BCBS Platinum Plan	105.43	220.92	N/A	338.58	456.88	957.31	N/A	1,467.19

10+ Years								
	Weekly Rates				Monthly Rates			
	Single	Single +1	Single + Children	Family	Single	Single +1	Single + Children	Family
Humana Basic - No Rx, No Dental	\$ 27.55	\$ 66.66	\$ 64.71	\$ 115.55	\$ 119.38	\$ 288.86	\$ 280.39	\$ 500.71
Humana Mid - With Rx, No Dental	37.54	83.95	80.06	139.40	162.69	363.80	346.93	604.06
Humana Plus - \$2,500 GAP With Rx, No Dental	49.28	109.95	101.51	176.31	213.53	476.45	439.88	763.99
BCBS -Value Care	27.61	68.93	N/A	93.82	119.64	298.68	N/A	406.57
BCBS - Broad	28.87	70.70	N/A	95.72	125.12	306.35	N/A	414.81
BCBS HSA	21.39	53.01	N/A	71.67	92.68	229.72	N/A	310.57
BCBS HSA - Broad	22.56	55.93	N/A	75.58	97.76	242.37	N/A	327.50
BCBS Platinum Plan	105.43	220.92	N/A	338.58	456.88	957.31	N/A	1,467.19

What is HSA – Broad? – Previously the HSA (Health Savings Account) plan included all IHC facilities and physicians (applicable to Utah residents only). BCBS has eliminated the IHC network on the base HSA plan. They have established an HSA Broad plan which has the same network and physician availability as the BCBS Broad plan, but is at an additional cost.

Your coverage will NOT automatically roll over. Because of the major changes being implemented you will need to either access the online enrollment system or utilize the customer service line to enroll and update your information.

Given the new programs I am sure each of you will have additional questions and Merge Financial Group will be happy to answer each of you. You may contact Merge Financial Group at 888-810-1225 with any questions you may have. Again, additional information will be forthcoming from Merge Financial Group on enrollment specifics.

Josh England
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 C.R. England, Inc.