NOTICE OF SUMMARY OF MATERIAL MODIFICATIONS TO TSRI HEALTH AND WELFARE PLANS
Effective January 1, 2011

The Employee Retirement Income Security Act (ERISA) requires that TSRI notify employees each time a material change is made to the health and welfare plan.

The changes described in this document affect health benefits and should be kept with your benefit materials for future reference. Please refer to the Health and Welfare Summary Plan Description for more information regarding the benefits listed below. These changes were communicated during the 2010 Open Enrollment period, or provide further clarification of existing language in the Summary Plan Description.

**Dependent Child Age Limit Extension (Applies to All TSRI Medical, Prescription Drug, Mental Health and Vision Plans)**
Dependent children up to age 26 (through age 25) are eligible for TSRI medical and vision coverage. A dependent for this purpose need not be: financially dependent, reside with the parent, be a student or be unemployed. If your child is eligible for medical coverage through another employer (other than the employer of a parent), regardless of cost or plan type, he or she is not considered an eligible dependent on your medical plan.

**Lifetime Limits (Comprehensive PPO, Graduate Student and Catastrophic Medical Plans)**
There is no lifetime maximum benefit under the Comprehensive PPO, Graduate Student and Catastrophic Plans. Previously, there was a $2 million maximum benefit per lifetime.

**Pre-Existing Conditions (Comprehensive PPO, Graduate Student and Catastrophic Medical Plans)**
There is no pre-existing condition limitation for covered children under the age of 19.

**Over-the-Counter Supplies and Medications (Health Care Spending Account Plan)**
The Patient Protection and Affordable Care Act and the Health Care Reconciliation Act of 2010 made changes to how over-the-counter (OTC) drugs and medicines can be reimbursed under a health care spending account plan. With the exception of insulin, OTC drugs and supplies are no longer reimbursed without a prescription.

**Grandfathered Health Plan Designation**
This group health plan believes the plans under the California HMO, Florida HMO, Comprehensive PPO, Graduate Student and Catastrophic PPO Plans are “grandfathered health plans” under the Patient Protection and Affordable Care Act (the Affordable Care Act). As permitted by the Affordable Care Act, a grandfathered health plan can preserve certain basic health coverage that was already in effect when that law was enacted. Being a grandfathered health plan means that your plan may not include certain consumer protections of the Affordable Care Act that apply to other plans, for example, the requirement for the provision of preventive health services without any cost sharing. However, grandfathered health plans must comply with certain other consumer protections in the Affordable Care Act, for example, the elimination of lifetime limits on benefits.

Questions regarding which protections apply and which protections do not apply to a grandfathered health plan and what might cause a plan to change from grandfathered health plan status can be directed to the plan administrator at (858) 784-8487 or at benefits@scripps.edu. You may also contact the Employee Benefits Security Administration, U.S. Department of Labor at 1-866-444-3272 or www.dol.gov/ebsa/healthreform. This website has a table summarizing which protections do and do not apply to grandfathered health plans.