



DESIGNED TO AID LSI EMPLOYEES IN MAKING INFORMED HEALTH AND BENEFIT CHOICES.

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LSI Benefits Open Enrollment Newsletter

Welcome to LSI's Benefits Open Enrollment September 15-30, 2009

During the Open Enrollment Period you may:

- Enroll in one of the LSI medical plans
- Change your medical plan
- Add eligible dependents to your plan
- Designate beneficiaries
- Enroll in the year 2010 Health Care Flexible Spending Account and/or Dependent Care Flexible Spending Account
- Purchase additional voluntary benefits
 - Voluntary term life insurance for you and/or your dependents
 - Auto and Home Insurance
 - Veterinary Pet Insurance
 - Group Long-Term Care Insurance
 - Pre-Paid Legal and Identity Theft Insurance

If you do not wish to make any changes to your benefits, you do not need to take action during open enrollment, unless you wish to participate in the Flexible Spending Account (FSA) plans.

Benefit elections/changes are made using the My World system.

The benefits you select this fall will be effective January 1, 2010.

What's Happening in 2010?

Health Care Industry Trends

Plan Revisions

- Employee and Dependent Premiums Increasing for Most Plans
 - Industry HMO Costs Escalating Faster than PPO Plans
 - Kaiser Oregon and Keystone Pennsylvania Plans Experiencing Higher Increases than Most LSI Plans
- Anthem Health Reimbursement Account (HRA) PPO
 - Same PPO Plan, New Name: "Lumenos" Name to be Gradually Phased Out
 - New Anthem Website to Launch in 2010
- Mental Health and Chemical Dependency Benefits to Change in 2010 for all Plans – Details Provided Later this Year
- HMO Plans
 - Changes to Plans Detailed in the Plan Revisions Section Starting on Page 4.
- New Law Requires Dependent Health Continuation During Medical Leave from College
- Claims Submission Extension for Flexible Spending Accounts
- My World Enhancement: Life Insurance Beneficiary Designations and/or Changes Can Be Made at Any Time During the Year

Resources

The HR Information Center

The HR Information Center is a toll-free, live and in-person resource for Benefits questions. LSI Benefits representatives are available to answer your questions Monday through Friday, from 8 a.m. - 5 p.m. Mountain Standard Time (MST), and Eastern Standard Time (EST). To contact the HR Information Center, call 1-877-LSI LINE (1-877-574-5463). Most U.S. locations also have access to the VoIP number: 20-8400.

The HR Information Center is a year round resource for eligibility questions, medical, dental, vision, and EAP coverage, 401(k), life and disability insurance, flexible spending accounts, family status changes, beneficiary information, forms, Open Enrollment and My World information.

The Benefits Website

The Benefits website is located on the Company intranet under Human Resources > Benefits U.S.

Please bookmark this website and refer to it as an ongoing resource for important benefits information.

OPEN ENROLLMENT MEETING SCHEDULE

Major Locations	Local Time	Building/Conference Room
Allentown, Pennsylvania*		
Thursday, September 10	11:00 am	LVCC room 12F-101
Monday, September 14	2:00 pm	LVCC room 12F-101
Wednesday, September 16	11:00 am	LVCC room 12F-101
Austin, Texas		
Thursday, September 10	10:00 am	Kramer Lane Training Room
Wednesday, September 16	1:00 pm	Riata Trace in Mt. Bonnell
Boulder, Colorado		
Thursday, September 17	10:00 am	Walnut
Colorado Springs, Colorado		
Tuesday, September 15	10:00 am	Sterling
Fort Collins, Colorado		
Wednesday, September 16	2:00 pm	High Point
Longmont, Colorado		
Thursday, September 17	10:00 am	Colorado & St. Vrain
Milpitas, California*		
Wednesday, September 9	10:00 am	Virtual
Thursday, September 10	1:00 pm	Virtual
Tuesday, September 15	10:00 am	Virtual
Minneapolis, Minnesota		
Wednesday, September 9	10:00 am	Cafeteria
Norcross, Georgia		
Thursday, September 17	1:00 pm	Stone Mountain
Waltham, Massachusetts		
Monday, September 14	2:00 pm	Technical Training Room

Wichita, Kansas

Monday, September 14 1:00 pm Green East
Friday, September 18 10:00 am Green East

Anthem HRA (PPO) Meetings*

Friday, September 18 10:00 am Virtual
Wednesday, September 23 1:00 pm Virtual
Thursday, September 24 10:00 am Virtual

Pre-Paid Legal Meetings*

Tuesday, September 22 10:00 am Virtual

*Online registration required.

Health Care cost increases are averaging 10-13 percent for the 2010 plan year and all indications are pointing toward another cycle of high cost trends. Looking ahead, the expectation is that health insurers will raise costs in light of the economic downturn and recent legislation such as mental health parity and the expansion of COBRA benefits under the federal stimulus package. Health care reform is front and center on the national agenda but it's too early to predict the outcome and any potential impact to employer plans. It is anticipated that insurers would likely increase prices prior to the implementation of national health care reform, particularly if a new public insurance option were offered. Other factors impacting industry costs include:

- Unhealthy lifestyles: smoking, physical inactivity, increase in the number of people with obesity
- Costs are passed on from the growing number of Americans who are uninsured
- Lack of preventive care
- Increased health care utilization
- An aging population that requires more health care
- Medicare and Medicaid limit reimbursement to providers. As a result, un-reimbursed costs are passed onto the remaining population
- Increases in medical malpractice insurance costs

(Sources: Buck Consultants, Pricewaterhouse Coopers)

Health care is one of the top cost pressures facing American businesses today. Employers continued to absorb most of the benefit cost increases this year while they encouraged employees to take an active role in their health and wellness as a means to promote healthy lifestyles and reduce health care costs.

LSI's Strategy to Preserve Quality Care and Contain Costs

LSI views employees and employers as joint stakeholders in health care. The goal is to offer a comprehensive benefits package that provides access to quality health care programs. To this end, the Benefits Department continually evaluates employee health care programs to remain competitive with our peer companies. Our approach to managing cost includes:

Wellness Programs

Employee health and wellness is fundamental to a productive and successful workplace. LSI is committed to programs that support healthy lifestyles and offers a number of fitness, preventive, health and other programs. Future plans include a website to consolidate all the company's offerings in one location. The goal is to encourage employees to lead healthy lives, provide increased visibility for existing programs, and encourage employees to take advantage of the resources available to them. Some of the current offerings for U.S. employees include:

- An off-site fitness club subsidy
- 100% coverage for preventive care
- Online health assessment (PPO)
- Programs to manage chronic conditions such as asthma and diabetes (PPO)
- 24-hour nurse-line (PPO)

Consumer-driven Health Care Plans

Typical of these plans, the Anthem Blue Cross Health Reimbursement Account (HRA) PPO includes an employer-funded spending account, a high deductible, and catastrophic coverage. Participants can access an extensive, nationwide network of providers. Web-based information is available to help participants make informed, cost-effective health care choices. See pages 7-9 for more information about the Anthem HRA plan.

Self-funded plans

See the sidebar, "Cost Savings at LSI through Self-Funded Plans," on this page for more information.

"Bundled" Plans

LSI health care plans are offered as a bundled package, whereby employees pay one contribution for medical, dental, vision, prescription, EAP, mental health and chemical dependency. LSI is self-insured for most of these plans with carriers providing administrative services only. This means the carriers process the claims and use LSI funds to pay actual claim costs. If benefits are unused, the cost to LSI is minimal. (Unbundled plans can result in dramatically increased administrative costs because the plans must be tracked and reported separately.)

"Quality of Care" Information Becoming More Readily Available

Hospital Compare Website Is One Example

As health care costs escalate, there has been increasing pressure on the industry to provide information regarding the quality of care provided by hospitals and physicians, as a means to determine performance. As one example, the Centers for Medicare and Medicaid (CMS) [Hospital Compare Website](#) was developed as a comparison tool.

You can search the site to find:

- Information on how well hospitals care for patients with certain medical conditions or surgical procedures.
 - Results from a survey of patients about the quality of care they received during a recent hospital stay.
- The tool was created through the efforts of the CMS, the Department of Health and Human Services, and members of the Hospital Quality Alliance: Improving Care Through Information. The website information is sourced from hospitals that have agreed to submit quality information for public use. Talk to your doctor about this information to help you and your family make informed hospital care decisions.*

Cost Savings at LSI through Self-Funded Plans

One strategy that has resulted in cost savings for LSI is to self-fund our health care plans. Under a self-funded plan, LSI pays the actual cost of claims. In contrast, under an insured plan, LSI pays a fixed premium per person (or covered dependents) for health plan coverage.

The HMOs offered by LSI, for example, are insured plans whereby the premiums are paid by LSI and the claim costs are paid by the HMO. Plans with fixed costs tend to be higher.

In addition, these plans do not allow the degree of flexibility offered by self-funded plans. LSI self-funds the following plans: the Anthem HRA PPO, Medco, Delta Dental and Vision Service Plan (VSP).

LSI will invest more than \$50 million in employee benefits in 2010. Overall for our health care plans, LSI pays slightly over 80 percent of the plan costs. We seek plans that provide comprehensive coverage along with access to a national network of physicians and hospitals. Each year the Benefits Department reviews benefit offerings to ensure that the company's health plans enable access to quality medical care and are competitive when benchmarked against our peer companies. A robust benefits package also helps LSI to recruit and retain talent.

The legacy Agere/LSI benefits consolidation in 2009 resulted in significant changes and enhancements. In addition, the Benefits department was able to secure improved contract terms and multi-year rate guarantees. Because of this, 2010 will be a relatively stable year with few benefit changes.

We partner with the LSI Finance and Purchasing departments to aggressively negotiate with carriers to deliver the best possible plan coverage at a reasonable cost to employees and the company. Still, employees can expect some changes from year-to-year to offset health care cost increases which are projected to stay on an upward trend.

Take Advantage of the Programs Available to You

LSI is focused on educating employees about some of the simple steps that can be taken to improve costs and utilization, without compromising the level of care needed to stay healthy. We're also placing an emphasis on wellness programs and encouraging employees to take advantage of the resources available to them (see "Wellness Programs" on page 3 for more information.)

Open enrollment communications, including this newsletter are dedicated to inform you and your family about LSI health care plan options and to help you select the benefits best suited to your needs. Please take the time to read the contents, attend an open enrollment meeting, and talk to covered family members about the plans available to you. If you have questions, the HR Information Center is staffed by LSI employees ready to assist you. The HRIC can be reached at 1-877-574-5463 (VoIP 20-8400), or at hrbenefits@lsi.com.

Employee Only and Dependent Premiums Increasing for Most Plans

Employee and dependent premiums are increasing for most plans. Per pay period rate increases for "employee only" coverage range from \$0 to \$15 and from \$0 to \$20 for "dependent" coverage, with the exception of the Keystone Pennsylvania HMO for which the increases are higher. Please see details below regarding this plan as well as additional information regarding the Kaiser Oregon HMO. The increases reflect the rising cost of medical coverage. Please refer to the Health Care Premiums chart on page 10 for a list of all the premium rates.

HMO Costs Escalating Faster than PPO Plans

Industry trends are showing that HMO plan costs are increasing at a faster rate than that of PPO plans. The Kaiser Oregon and Keystone Pennsylvania HMO plans are experiencing particularly high rate increases of 15 to 25 percent. This is substantial as compared to the 2010 industry market trend of 11 percent for HMOs.

• Kaiser Oregon

We have extremely low enrollment in the Kaiser Oregon Plan which has driven up 2010 plan costs by 15 percent, resulting in employee premium increases of \$5 to \$15 per pay period. **LSI will offer the Kaiser Oregon plan in 2010 but it is possible that it may not be offered in the 2011 plan year.**

• Keystone Pennsylvania

This plan is experiencing low enrollment, coupled with high utilization which has resulted in a 25 percent increase in plan costs and employee premium increases of \$8 to \$45 per paycheck. **We do not expect the scenario for this plan to change and it is highly likely the plan may not be offered in the 2011 plan year.**

LSI Benefits Highly Competitive with Peer Companies

Each year LSI participates in the BenVal Study, an independent benefit survey conducted by Towers Perrin Consulting Services, that ranks benefit competitiveness among an elite group of 29 U.S. multinational high tech companies, including Cisco, Marvell, Yahoo!, Texas Instruments, and Google. For more than ten years LSI has consistently ranked among the top tier in overall benefit program competitiveness. In 2009, we ranked fourth among the 29 peer companies.

Customer Service for 2010 Health Plans

Anthem HRA
1-877-244-3593

California Kaiser HMO
1-800-464-4000

Keystone Pennsylvania HMO
1-800-669-7061

Preferred Plus of Kansas HMO
1-800-660-8114

Oregon Kaiser HMO
1-800-813-2000

Georgia Kaiser HMO
1-800-611-1811

My World Enhancement: Life Insurance Beneficiary Designations and/or Changes Can Be Made at Any Time During the Year

Starting with this open enrollment period, employees will have the ability to designate or update beneficiaries in My World at anytime for the basic life, and voluntary term life plans. *Please note that any beneficiary designations you make for basic life, also apply to your business travel accident (BTA), and accidental death and dismemberment (AD&D) plans.*

Anthem Health Reimbursement Account (HRA) PPO

Lumenos HRA Now Called "Anthem HRA"

Over time, Anthem will be phasing out the Lumenos name. LSI participants will have the same PPO plan design, and network of doctors – only the name is changing. The new ID cards issued to all plan members in January 2009 already reflect the change to the Anthem HRA name. (When you seek medical services, simply tell your provider you are an Anthem PPO plan member.)

New Anthem Website to Launch by 2010

Anthem will be launching a new website by 2010. Changes are not anticipated to the programs and tools available on the Anthem web, but the web instructions provided in this newsletter may no longer be valid once the new site is launched.

Mental Health and Chemical Dependency Benefits to Change in 2010 for all Plans – Details Provided Later this Year

The behavioral health plan structure will be changing for all the LSI medical plans as a result of the federal Mental Health Parity and Addiction Equity Act of 2008 (MHPA) that was signed into law. The MHPA requires group health plans that offer mental health or substance abuse benefits to provide the same financial and treatment coverage offered for other medical and surgical benefits. Specific guidelines are still pending. Once they are finalized later this year, we will re-design the United Behavioral Health and HMO mental health and chemical dependency plans and communicate the revisions. We expect this will result in changes to the tier structure for the copays. We also anticipate that the changes will drive up LSI's overall plan costs.

Mandated HMO Plan Changes

Behavioral Health Benefits Changing for all HMO Plans

As indicated in the section directly above, pending Mental Healthy Parity guidelines that are expected in Q4, LSI will be re-designing and communicating the HMO mental health and chemical dependency plan changes later this year. Based on what has been indicated to date, the following will apply:

- Outpatient visits and inpatient days must be unlimited (comparable to medical/surgical benefits).
- Costs shared for mental health and chemical dependency can be no higher than medical/surgical benefits.
- Chemical dependency coverage will no longer be covered by United Behavioral Health. Instead, services will be covered by your HMO plan.

Kaiser California

- Behavioral health benefit changes only (as described above for all HMO plans).

Kaiser Georgia

- Out of area student coverage: Plan will provide up to \$1,000 per year for follow-up and continuing care that does not meet the criteria of emergency or urgent care. The member will pay 20 percent of the charges for these services.
- Allergy serum:
 - Covered at no charge.
 - Allergy and other injection only services (except immunization visits) will be covered like any other office visit – subject to the co-payment applicable to the provider's specialty.
- Infertility diagnosis (base benefit): Includes only those tests necessary to rule out underlying medical causes of infertility. Coverage for semen analysis and hysterosalpingogram will no longer be covered under the base benefit.

Kaiser Oregon

- Urgent care: Primary care physician (PCP) office visit copayment is increasing from \$20 to \$40 (represents copays of PCP at \$20 and urgent care at \$20 = \$40).
- Injections received in the nurse treatment room: The copayment is increasing from \$5 to \$10.
- Anesthesia for non-covered dental services is now excluded.

Keystone Pennsylvania

- Residential hospice coverage: Expanded to include eligible services received at a residential hospice facility.
- Nutritional counseling: Expanded to include benefit for adults with a body mass index of 30 or more; two visits are covered per calendar year.

Preferred Plus of Kansas

- Specialty prescription drugs: Limited to a 34 day supply or 100 unit doses, whichever is less.

New Law Requires Dependent Health Continuation During Medical Leave from College


Under the new "Michelle's Law," starting January 1, 2010, if you have a dependent child from age 19 to 25 who would otherwise lose eligibility under LSI's health plan due to a medical leave from a post-secondary educational institution, you may be able to continue their coverage for up to 12 months. The same employee contribution would apply as that of a dependent meeting the definition of full time student status under the plan. If at the end of 12 months, your dependent child does not return to full-time student status, coverage will be terminated and your dependent will be offered COBRA coverage.

Claims Submission Extension for Flexible Spending Accounts

Claims for the Dependent Care and Health Care Spending Accounts may now be submitted for reimbursement up to and including April 15 of the following year.

Scenario 1 - Low Plan Utilizer		
	Kenner	Lumena IRA
Salaries		
Salaries, Excluding PHS (Fixed annually by IRS)		
Annual Deduction (your report)	\$1,000,000	\$1,000,000
Year-End Annual Plan Deduction (includes \$3,000 Lumena IRA)	\$1,000,000	\$1,000,000
Retirement		
20 income offset		
1.0% 5.0% (fixed rate)		
Total Medical Services		
Annual Cost (includes performance as to cost of covered plan)		
Annual Employee Contributions (includes dental & vision)		
Annual Employer Contributions (includes dental & vision)		
Net Employee Annual Benefit/Paid Cost		
Scenario 2 - Medium Plan Utilizer		
Salaries		
Salaries, Excluding PHS (Fixed annually by IRS)		
Annual Deduction (your report)	\$1,000,000	\$1,000,000
Year-End Annual Plan Deduction (includes \$3,000 Lumena IRA)	\$1,000,000	\$1,000,000
Retirement		
20 income offset		
1.0% 5.0% (fixed rate)		
Total Medical Services		
Annual Cost (includes performance as to cost of covered plan)		
Annual Employee Contributions (includes dental & vision)		
Annual Employer Contributions (includes dental & vision)		
Net Employee Annual Benefit/Paid Cost		
Scenario 3 - High Plan Utilizer		
Salaries		
Salaries, Excluding PHS (Fixed annually by IRS)		
Annual Deduction (your report)	\$1,000,000	\$1,000,000
Year-End Annual Plan Deduction (includes \$3,000 Lumena IRA)	\$1,000,000	\$1,000,000
Retirement		
20 income offset		
1.0% 5.0% (fixed rate)		
Total Medical Services		
Annual Cost (includes performance as to cost of covered plan)		
Annual Employee Contributions (includes dental & vision)		
Annual Employer Contributions (includes dental & vision)		
Net Employee Annual Benefit/Paid Cost		

Insight

| LSI 

Employee Resource Center

Aug 16 09 10:04am

- Home Resources
- Corporate Initiatives
- Information Technology
- Organizations
- Policies and Procedures
- Technical Documentation
- Regional Sites

EMEA Japan APAC NA

LSI Debuts New Solutions Center



LSI has a new venue for demo Solutions Center in Milpitas, CA.

The center is a permanent sales stage and custom silicon case industry analysts.

"The center is a high-quality venue that truly showcases LSI's leading technology," said John Kitamura, vice president of North America sales. "We plan to use this space with our customers on at least a quarterly basis."

The photo shows two of the demonstrations set up in the new **SSI Solutions Storage Center**. The room will hold technical demos every second.

Employee News

Aug.03.09 - 6Gb/s SAS Technology Takes RAID Controller Cables to New Performance Levels

Jul.15.09 - LSI-Authorized Article Appears In Total Telecom

Jul.09.09 - LSI Highlights Strength in High Performance Computing

News Releases

Aug.17.09 - LSI Invests in Global Education with 2009 Backpack Program

Aug.05.09 - LSI Net Generation Preempting IC Delivers Best-In-Class Performance for Hard Disk Drives

Aug.03.09 - Huawei Integrates LSI SP200 StarPro Media Processors Into Next-Generation Networking Products

Quick Links

- Helpdesk
- Job Listing
- GRONOS
- Logistics
- Mileage & Reimburse
- PacCheck
- PC Support
- Intel Application Library**
- Product Sales Portal
- Stock Administration
- Travel Worldwide

Stock Report

LSI +0% @10.05

**► MORE
► ARCHIVE**


Executive Corner

Message From Ashu To The LSI Team,


Jul 23


As LSI works to become a Tier 1 technology company, we are continually looking at ways to ...

► MORE



Ask the Execs?

 **► MORE**

► MORE 

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Anthem is gradually phasing out the Lumenos name. The Anthem Health Reimbursement Account (HRA) PPO plan can be referred to as simply, "Anthem HRA." The overall plan design remains the same.

As a "consumer-driven" health care plan, the Anthem HRA allows you to control and manage your health care expenses, with potential cost savings to both you and the company. More than eighty percent of LSI employees are currently enrolled in this plan. A detailed chart of how the plan works is provided on page 9.

The per-pay-period contributions for the Anthem HRA are considerably less than other health care plans offered by LSI. For more information, please refer to the Pre-Tax Group Health Plan Contributions chart (premiums) on page 10.

The Plan Offers:

- An extensive, nationwide network of providers
- Condition Care Management and other health management programs
- Robust preventative care benefits
- An array of tools, many of them web-based, to help participants with their health care decisions:
 - A 24/7 nurse line for medical advice (The phone number is provided on the back of member ID cards)
 - Web resources:
 - Prescription drug information including a list of generic equivalents, drug interactions, side effects
 - Health information including a WebMD site tailored for plan members
 - The ability to track and manage health care expenses online
- An LSI-dedicated customer service team to handle employee and provider inquiries.
 - The team can provide plan year Health Reimbursement Account (HRA) claims and account balance information.
 - Providers may contact Anthem to verify that funds are available in their Anthem HRA. Anthem will fax confirmation to the provider.
- Online password reset at www.anthem.com/ca, whereby employees can obtain new or reset existing passwords.

Condition Care Management Programs

It is estimated that up to 30-35 percent of chronic conditions can improve with the right mix of care. The Anthem Condition Care Management programs are designed to provide tools and resources to better manage these conditions. The programs include the following conditions:

- Asthma
- Diabetes
- Coronary Artery Disease (CAD)
- Chronic Heart Failure (CHF)
- Chronic Obstructive Pulmonary Disease (COPD)
- High cholesterol
- High blood pressure
- Musculoskeletal
- Oncology

Here's How the Condition Care Management Programs Work

Anthem:

- Identifies individuals with the chronic conditions listed above.
- Gives participants access to registered nurses and other health professionals that serve as "health coaches," to provide education about the condition and develop a personalized plan.
- Helps participants:
 - Adhere to medication
 - Reduce the number of hospital stays
 - Decrease emergency room visits
 - Lead a healthier life

The program is an added service purchased by LSI and offered at no additional cost to Anthem HRA plan members. Participation is voluntary and confidential. Information about participants is not shared with LSI. Plan members can self-enroll by calling the following number: **Condition Care Management Programs: 1-866-760-7537**

Anthem HRA Website to Change

Anthem will be launching a new website by 2010. Some of the web instructions provided in this newsletter may no longer be valid post-launch. Anthem Health Reimbursement Account (HRA) plan members can use the www.anthem.com/ca website to locate plan and health information, track claims, view HRA balances, find providers, and access tools, including the health risk assessment.

How to Access HRA Amounts

Members can set-up their login and password on the www.anthem.com/ca website to view their Anthem HRA amount. Please note that your dependents age 18 and over will need to set-up their own member accounts through the Anthem website. To ensure privacy in accordance with HIPAA, dependent authorization is required for you to view their Health Reimbursement Account balance information. Your dependent can provide you with access by clicking Manage My Profile, under Things You Can Do, (left menu bar), then checking the box to Allow Others to View my Information, and selecting Reset.

Anthem Customer Service Representatives (1-877-244-3593) have the ability to view all Anthem HRA balances.

Anthem Members: Tap Into Discounts on Products and Services

Anthem HRA plan members have access to a program called SpecialOffers@Anthem, which enables members to tap into alternative health and wellness practitioners, fitness clubs, weight loss programs, and other non-Anthem programs, at discounted rates. Logon to the www.anthem.com/ca website and access the MySpecialOffers tab at the top of the page. Then, follow the prompts.

“Healthy Lifestyles” and Other Wellness Programs

The Anthem Plan also offers additional wellness programs through Healthy Lifestyles Online. This program includes the following: Tobacco Cessation, Weight Management, Stress Management, Physical Activity, Diet and Nutrition. The programs are available at no additional cost to plan members.

Healthy Lifestyles Online Program: 1-877-252-8407, or log onto member services on the www.anthem.com/ca website, and choose the 360° Health tab.

Future Moms Maternity Program: 1-866 664-5404

Health Assessment Online Questionnaire/Tool

The Health Assessment is an online confidential health profile that takes only a few minutes to complete. It helps you measure your overall health and identify possible health risk factors based on your current health, family history, lifestyle and other data. It also provides the financial impact of different health risks as well as specific action steps for potential lifestyle improvements. We encourage members to access the Health Assessment tool by logging onto the www.anthem.com/ca website and selecting the 360° Health tab.

This information is confidential and not shared with LSI. Participation is voluntary and the resulting information is only for the use of the individual completing the questionnaire.

Other Helpful Tools Under the www.anthem.com/ca 360° Health Tab

- HealthCare Advisor
 - Find and compare hospitals in your area
 - Compare prescription medicines by condition
 - Check drug interactions
 - Estimate treatment costs for tests, physician visits and medications
 - View detailed treatment costs for providers in your area
- Access guides to help you prepare for surgical procedures, or consult a Health Coach if you are scheduled for an elective surgery. A coach can help you understand the procedure, potential complications and the typical period of time for recovery.
- MyHealth@Anthem
 - Access WebMD tools and resources

Provider Finder/Urgent Care Centers

Follow the instructions below to access a list of Anthem HRA providers, or to find out if urgent care facilities are in your area. In many situations, urgent care centers can serve as an alternative to emergency rooms. (Because Anthem is building this network, urgent care centers may not be available in some locations.)

Urgent Care Centers Offer These Advantages:

- No appointment required
- Significantly reduced wait times
- Much lower costs than an emergency room
- Evening and weekend hours
- Frees up emergency rooms for patients in life threatening situations

How to Locate Providers/Urgent Care Centers, visit www.anthem.com/ca

Select Find a Doctor from the homepage. Under Medical Providers, choose BlueCard PPO. Under Guests, choose PPO. Search for a Provider by Location by entering your address and/or zip code, or, choose the Lookup by Name option at the top right hand side of the screen, to enter your physician's information. Click Next. Follow the prompts.

To Locate an Urgent Care Facility:

Follow the instructions above. Under Select Provider, choose Hospital, Clinic or other Medical Facility. If an Urgent Care Center is available in your zip code, Urgent Care Centers will appear as the last option in the Select Specialty drop down box.

The Anthem Health Reimbursement Account (HRA) plan has three components to provide comprehensive medical coverage for you and your covered dependents.

- 1. Health Reimbursement Account (HRA)** – You choose how to use this money, funded by LSI and based on family size. You can use the fund (no deductibles, no copays) for covered medical expenses, office visits, specialist care, etc. The full annual HRA is available at the start of the plan year.*
- 2. Deductible Amount** – If the HRA is exhausted for covered medical expenses, you will have a deductible to pay.
- 3. Plan Benefits** – If you or a covered family member have medical expenses over and above the HRA and the deductible, plan benefits will pay 100% of covered in-network services.

* If you have a family status change and add a dependent mid-year, the HRA will be pro-rated.

ANTHEM HRA — HOW IT WORKS

IN-NETWORK PREVENTIVE CARE	HEALTH REIMBURSEMENT ACCOUNT (HRA)	DEDUCTIBLE AMOUNTS	IN-NETWORK PLAN BENEFITS	NON-NETWORK PLAN BENEFITS
<p>Well Baby & Well Child Care Ages 0 thru 1: 100% Age 2 & older: 100% in-network</p> <p>Adult Preventive Care: 100% in-network</p> <p>Covered Charges: Preventive physical exams and immunizations</p> <p>Covered services are paid by the plan at 100% with no copay or deductible, and will not be deducted from the Health Reimbursement Account (HRA) nor accumulated toward deductible or out-of-pocket maximum satisfaction</p> <p>Non-Network Preventive Care: Out-of-network preventive care services are now paid like any other out-of-network claims. They are subject to the plan deductible and co-insurance, and are reimbursable using any available funds in the participant's HRA (with the exception of amounts above reasonable and customary).</p>	<p>Annual Allowance \$1,000 for single coverage \$2,000 for two-party coverage \$3,000 for family coverage</p> <p>Reimbursable Items All Medical Expenses for Covered Charges Reimbursement: 100% until allowance is depleted</p> <p>Items Not Reimbursable Expenses not covered by medical plan (including non-network amounts in excess of reasonable and customary), prescription copays and mental health/chemical dependency expenses/copays</p>	<p>Difference between HRA Allowance and Individual Deductible of \$2,000</p> <p>Expenses paid by the employee before the deductible is met may be submitted to an employee's Health Care Spending Account (FSA)</p> <p>Employee is responsible for paying charges up to the \$2,000 individual deductible or the \$6,000 family maximum deductible</p> <p>Only those charges considered covered under the medical plan will accumulate toward satisfying the deductible</p> <p>Expenses not covered by medical plan (including non-network amounts in excess of reasonable & customary) and, prescription copays do not accumulate toward satisfying the deductible</p> <p>The HRA is applied towards satisfying the deductible amount</p>	<p>Once the deductible is met, all in-network claims for that person are paid by the plan at 100% for the remainder of that year</p> <p>Individual Deductible: \$2,000 Family Deductible: \$6,000</p> <p>In-Network Out-of-Pocket Maximums: \$2,000/person \$6,000/family</p> <p>Once the individual/family out-of-pocket maximum is met, all in-network claims for that person/family are paid by the plan at 100% for the remainder of that year</p> <p>Amounts above reasonable and customary are the member's responsibility</p> <p>Prescription drug copays continue to be the member's responsibility</p>	<p>Once the deductible is met, the plan pays 60% and the member pays 40% for covered expenses until out-of-pocket maximums are reached</p> <p>Individual Deductible: \$2,000 Family Deductible: \$6,000</p> <p>Non-network Out-of-Pocket Maximums: \$3,450/person \$7,350/family</p> <p>Once the individual/family out-of-pocket maximum is met, all non-network claims for that person/family are paid by the plan at 100% of reasonable and customary for the remainder of that year</p> <p>Amounts above reasonable and customary are the member's responsibility</p> <p>Prescription drug copays continue to be the member's responsibility</p>

Here are more details on each of these plan elements:

LSI annually funds the HRA on the employee's behalf with the following contributions:

- Employee: \$1,000
- Employee + 1 Dependent: \$2,000
- Employee + 2 or more: \$3,000

You can spend the money in your HRA on your choice of a wide range of medical expenses, including doctor office visits and other covered services. Once you receive care, submit your claim for reimbursement. In-network providers will submit the claim on your behalf. Anthem will automatically pay any medical expense that is credited toward your deductible using your HRA funds. *Please note: This fund will not reimburse expenses incurred for mental health/chemical dependency, as that coverage is offered through United Behavioral Health. Prescription drugs are also handled separately by Medco. Prescription drug copays are not reimbursed through your HRA funds, as they are reimbursable tax-free if you enroll in a Health Care Spending Account (FSA).*

If you use less than the amount funded to your HRA, those dollars roll over into next year's HRA. You may accrue up to two year's worth of employer funding in your HRA. If you choose not to enroll in the Anthem HRA Plan for the following year you will forfeit any unused balance.

If you use all the funds in the HRA, you will have a deductible to pay and then the Anthem HRA insurance coverage will come into effect. For more information on how the plan works, refer to the Group Health Summary Plan Description (SPD) on the Benefits U.S. website.

For Anthem HRA (PPO), Kaiser, Keystone and Preferred Plus of Kansas (PPK)

The LSI Corporate benefits strategy is to provide a benefits program that is high quality, cost effective, competitive and meets employee needs. We continuously monitor both the quality and cost of our health care plans.

Pretax Group Health Plan Contributions

Payroll deductions occur every paycheck effective from January 1, 2010.

The medical plans listed below include dental, vision, EAP and chemical dependency.

	LOCATION	MEDICAL PLAN	EMPLOYEE ONLY	PLUS 1 DEPENDENT	PLUS 2 DEPENDENTS	PLUS 3 OR MORE
PPO	All Locations	Anthem HRA	\$40	\$100	\$115	\$125
HMO	California	Kaiser HMO	\$45	\$135	\$170	\$180
	Georgia	Kaiser HMO	\$35	\$105	\$135	\$145
	Kansas	Preferred Plus of Kansas (PPK)	\$44	\$125	\$155	\$165
	Oregon	Kaiser HMO	\$45	\$135	\$170	\$180
	Pennsylvania	Keystone HMO	\$58	\$175	\$225	\$255
EXPAT PPO	International Assignment Only	Cigna International	\$45	\$135	\$170	\$180

Please note: Actual costs for Domestic Partner coverage will vary due to IRS tax treatment of this benefit.

Please refer to the Open Enrollment section of the Benefits website, located on Insight, for complete details.

PLAN FEATURES		ANTHEM BLUE CROSS HEALTH REIMBURSEMENT ACCOUNT (HRA) - PPO	
	(In-Network)	(Non-Network)	
Available Locations		All locations	
Health Reimbursement Account Annual Allowance		\$1,000 single \$2,000 two-party \$3,000 family	
Benefit Level	100% for most services	*60% for most services* ¹	
		\$2M lifetime maximum	
Preventive Care	100%	60%* Subject to plan deductible and co-insurance.	
Deductible		\$2,000/person \$6,000/family	
Doctor's Office Visit	100% for most services*	60% for most services* ¹	
Emergency Room Visit	100% for most services*	60% for most services* ¹	
Hospital Room & Board	100% for most services*	60% for most services* ¹	
Behavioral Health Benefits	Mental health and chemical dependency coverage through United Behavioral Health (UBH). Behavioral health plan structure to change for all medical plans due to Mental Health Parity and Addiction Equity Act (see page 5). Federal guidelines are still pending; LSI expects to communicate changes in Q4 2009.		
Out-of-Pocket Maximum	\$2,000/person \$6,000/family	\$3,450/person ¹ \$7,350/family ¹	
Primary Care Physician	No, but you must use network providers	No	
Prescription Drugs (Medco)	Retail: \$10 generic, \$20 brand, \$40 non-formulary, 30 day supply. Mail order: \$20 generic, \$40 brand, \$80 non-formulary, 90 day supply.		

For additional details regarding the Anthem plan design, the Health Reimbursement Account (HRA), please see page 9 in this newsletter.

¹ Of reasonable and customary expenses

* Deducted from Anthem HRA annual allowance.

All Sites Provider Directories

Directories are available for you to see if your doctor(s) is included in the Anthem Network.

Most directories and prescription formulary lists are available on-line at the provider web sites listed to the right. Or you may call the provider directly to have one mailed to you.

Provider	Website	Group #	Phone Number
Anthem HRA	www.anthem.com/ca	CA: 1793 UR All other locations: 1793 UT	1-877-244-3593
	Main website for: plan information and resources, access to member HRA account balances.		
Delta Dental	www.deltadentalins.com	7369	1-800-765-6003
Medco	www.medco.com	LSI CORP	1-800-711-0917
Vision Service Plan	www.vsp.com	00808401	1-800-877-7195
United Behavioral Health	www.liveandworkwell.com	10700	1-800-605-6442
	lagon access code: 10700		

PLAN FEATURES	KAISER HMO CALIFORNIA	KAISER HMO GEORGIA	KAISER HMO OREGON*
Available Locations	California	Georgia	Oregon
Benefit Level	100% w/\$20 copayment Unlimited lifetime maximum	100% w/\$20 copayment Unlimited lifetime maximum	100% w/\$20 copayment Unlimited lifetime maximum
Preventive Care (Age 2 and under) (Over age 2)	\$5 copayment \$20 copayment	100% coverage \$20 copayment	100% coverage \$20 copayment
Deductible	None	None	None
Doctor's Office Visit	\$20 copayment	\$20 copayment	\$20 copayment
Emergency Room Visit	\$50 copayment	\$75 copayment	\$75 copayment
Hospital Room & Board	100% coverage after \$100 per admit copayment	100% coverage after \$100 per admit copayment	100% coverage after \$100 per admit copayment
Behavioral Health Benefits	Behavioral health plan structure to change for all medical plans due to Mental Health Parity and Addiction Equity Act (see page 5). Federal guidelines are still pending; LSI expects to communicate changes in Q4 2009. Chemical dependency will no longer be covered by United Behavioral Health (UBH). Instead, services will be covered by your HMO plan.		
Option to Go Outside Network	No	No	No
Out-of-Pocket Maximum	\$1,500/person \$3,000/family	\$2,000 per person \$6,000 per family	\$750/person \$1,500/family
Primary Care Physician	Yes	Yes	Yes
Prescription Drugs	Retail: \$10 generic, \$20 brand, 30 day supply. Mail order: \$20 generic, \$40 brand, 100 day supply.	Retail: \$10 generic if filled at Kaiser, \$25 brand if filled at Kaiser, \$16 generic if filled by Eckerd/Walgreen, \$31 brand if filled by Eckerd/Walgreen, 30 day supply Mail order: \$20 generic \$50 Brand; 90 day supply; available through Kaiser only.	Retail: \$10 generic, \$20 brand, 30 day supply. Mail order: \$20 generic, \$40 brand, 90 day supply.

Physician & Provider Directories

Directories are available for you to select a Primary Care Physician or to see if your doctor(s) is included in a particular health plan.

Most directories and prescription formulary lists are available on-line at the provider web sites listed to the right. Or you may call the provider directly to have one mailed to you.

Provider	Website	Group #	Phone Number
All Kaiser Plans	http://my.kp.org/lsi National Website (additional resource)	NA	1-800-556-7677
Kaiser, CA	www.kaiserpermanente.org	472	1-800-464-4000
Kaiser, GA	www.kaiserpermanente.org	02857-00-28	1-800-611-1811
Kaiser, OR	www.kaiserpermanente.org	07885-AA-10	1-800-813-2000
Delta Dental	www.deltadentalins.com	7369	1-800-765-6003
Vision Service Plan	www.vsp.com	00808401	1-800-877-7195

* Due to extremely low enrollment, coupled with high utilization, it is possible that the Kaiser Oregon HMO plan might not be offered in 2011.

PLAN FEATURES	KEYSTONE HMO PENNSYLVANIA *	PREFERRED PLUS OF KANSAS
Available Locations	Pennsylvania	Kansas
Benefit Level	100% w/ \$20 copayment Unlimited lifetime maximum	100% w/\$20 copayment \$2M lifetime maximum
Preventive Care (Age 2 and under) (Over age 2)	\$20 copayment \$20 copayment	100% coverage \$20 copayment
Deductible	None	None
Doctor's Office Visit	\$20 copayment	\$20 copayment
Emergency Room Visit	\$50 copayment	\$100 copayment
Hospital Room & Board	100% coverage after \$100 per admit copayment (\$200 annual copay maximum)	100% coverage after \$150 per admit copayment
Behavioral Health Benefits	Behavioral health plan structure to change for all medical plans due to Mental Health Parity and Addiction Equity Act (see page 5). Federal guidelines are still pending; LSI expects to communicate changes in Q4 2009. Chemical dependency will no longer be covered by United Behavioral Health (UBH). Instead, services will be covered by your HMO plan.	
Option to Go Outside Network	Coverage for emergency services worldwide, Access to BlueCard Program and Guest Membership Program	No
Out-of-Pocket Maximum	None (hospital copay limited to 2 per calendar year)	\$1,500/person \$3,000/family
Primary Care Physician	Yes	Yes
Prescription Drugs	Retail: \$10 generic, \$20 preferred brand, \$40 non-preferred brand 30 day supply. Mail Order: \$20 generic, \$40 preferred brand, \$80 non-preferred brand, 90 day supply.	Retail: \$7 generic, \$20 brand, \$40 non-formulary 30 day supply. Mail Order: \$17 generic, \$50 brand, \$100 non-formulary, 100 day supply.

Physician & Provider Directories

Directories are available for you to select a Primary Care Physician or to see if your doctor(s) is included in a particular health plan.

Most directories and prescription formulary lists are available on-line at the provider web sites listed to the right. Or you may call the provider directly to have one mailed to you.

Provider	Website	Group #	Phone Number
Keystone, PA	www.capbluecross.com	514936	1-800-669-7061
Preferred Plus, KS	www.phsystems.com	500259	1-800-660-8114
Delta Dental	www.deltadentalins.com	7369	1-800-765-6003
Vision Service Plan	www.vsp.com	00808401	1-800-877-7195

*** Due to extremely low enrollment, coupled with high utilization, it is highly likely the Keystone HMO plan will not be offered in 2011.**

LSI Dental Plan

All LSI medical plans automatically include dental coverage with Delta Dental, Group #7369. Under this dental program, you may use any dentist you wish. It is to your advantage to select a dentist who is a Delta dentist, since participating dentists fees have been negotiated in advance by Delta.

Delta Dental PPO

The Delta Dental PPO is available to all U.S. employees. The PPO offers a wide selection of dentists for you to choose from. For a directory of Delta Dental PPO dentists, visit Delta Dental's website at www.deltadentalins.com.

By using the services of a PPO dentist there are no deductibles and benefits will be paid at a higher rate. Refer to the chart below for details about your dental benefits.

Under the PPO option, you can:

- change your PPO dentist any time without pre approval
- see a PPO specialist of your choice without pre approval
- select a different PPO dentist for each family member

If you use a Delta dentist, your dentist will file your claim and receive reimbursement directly from Delta Dental. You will receive an explanation of benefits that describes any amount you may owe to the dentist.

If your dentist is not a Delta dentist, Delta must be given written proof of your claim for benefits within 90 days after you have received dental care or treatment. Claim forms can be obtained at your dental office or by calling Delta Dental at 1-800-765-6003. The completed claim form should be sent to Delta Dental, P.O. Box 997330, Sacramento, CA 95899-7330.

ITEM	DELTA DENTAL PPO DENTIST	NON-PPO DENTIST
Dentist	Select from Delta Dental PPO dentists (each time services are needed)	Select any licensed dentist other than a close relative
Maximum Annual Benefit	\$2,250	
Annual Deductible	No deductible	\$ 60 per person \$180 per family
Copayments Preventive/Diagnostic Basic Treatment Major Treatment	100% coverage – no deductible 90% coverage 60% coverage (subject to pre-treatment estimate approval)	100% coverage – no deductible 80% coverage 50% coverage (subject to pre-treatment estimate approval)
Orthodontic Treatment Adults and Children	50% coverage up to maximum lifetime benefit: \$2,000 per person	

LSI Vision Plan

All LSI medical plans automatically include vision benefits. The LSI Vision Service Plan (VSP) pays 100% of eligible expenses if you use a VSP network doctor, and up to scheduled dollar limits if you use a non-network vision care provider. A \$20 deductible applies each time you receive an examination and/or order glasses or contacts.

Other discounts apply, including:

- An average of fifteen percent off the regular price of laser vision correction, or five percent off the promotional price.
- Fifteen percent off the cost of a contact lens exam (fitting and evaluation).

To receive vision care, make an appointment with your VSP doctor. Your doctor will obtain approval from VSP directly. If your doctor is not a VSP doctor, please send a copy of the itemized bill(s) to VSP at:

Out-of-Network Claims Department
VSP Headquarters, P.O. Box 997105
Sacramento, CA 95899-7105

ITEM	VSP MEMBER	NON-MEMBER	TIME FRAME
Vision Exam	100%	Up to \$45	Once each calendar year
Annual Deductible	\$20	\$20	Once each calendar year
Frames	Up to \$130 allowance, plus 20% discount on any amount over \$130	Up to \$50 retail	Every other calendar year
Lenses	100% Single Vision Lined bifocals Lined trifocals Lined lenticular	Single Vision up to \$45 Lined bifocals up to \$65 Lined trifocals up to \$85 Lined lenticular up to \$125	Once each calendar year
Anti-reflective Lens Coating	100%	\$10 allowance	Once each calendar year
Contacts	100% if medically necessary. Cosmetic contact lenses are in lieu of all other benefits noted above and VSP will provide up to a \$105 allowance toward their cost.		Once each calendar year in lieu of lens & frame

Note: All cosmetic features added to lenses are not covered by this plan.

All LSI employees and their dependents are automatically covered by EAP benefits. If unresolved issues are affecting the quality of your personal and professional life, it may be a signal to call the Employee Assistance Plan (EAP) at 1-800-605-6442.

United Behavioral Health (UBH) is the EAP provider. With UBH, you are entitled to five free confidential visits each year. The EAP Plan allows you to access all five of your visits with a UBH provider prior to using any of the outpatient behavioral health benefits.

Non-Network Coverage United Behavioral Health coverage includes outpatient behavioral health services through a non-network provider, for employees enrolled in the Anthem HRA (PPO).

The coverage applies to medically necessary, pre-authorized outpatient services, and will be reimbursed at a reduced rate.


How Your EAP Works

You can call any time of the day or night. A specially trained UBH Intake Counselor will be there to take your call and help to get you the care you need with a therapist in the UBH network.

We would like to remind you that all visits, including EAP, behavioral health and chemical dependency, must be pre-authorized by UBH. Before beginning treatment, you must call 1-800-605-6442 to obtain authorization from UBH. Any service that has not been pre-authorized will not be considered for benefit payment by UBH. Refer to the chart below for details regarding your benefits.

Some of the reasons you might call UBH:

- relationship problems
- child-rearing concerns
- divorce
- depression
- loss of a loved one
- legal and financial worries
- tensions at work
- excessive use of drugs or alcohol

 The behavioral health plan structure will be changing in 2010 for all the LSI medical plans due to the Mental Health Parity and Addiction Equity Act (See page 5 for more details.) Federal guidelines are still pending. Once finalized later this year, we will re-design the United Behavioral Health and HMO mental health and chemical dependency plans and communicate the revisions.

EAP SUMMARY FOR ALL EMPLOYEES AND THEIR DEPENDENTS Includes those not covered by an LSI health plan

Covered Services	UBH Provider	Non-UBH Provider
Employee Assistance Plan	Five free visits per family member per calendar year	Not available

This is the time to evaluate life insurance coverage for you and your family. You have the ability during Open Enrollment to change your current coverage under the company-paid basic life insurance policies or purchase additional life insurance through the Voluntary Term Life Insurance (VTL) Plan.

Company Provided Life Insurance Policies

All regular LSI employees are offered basic life, accidental death and dismemberment (AD&D), and business travel accident (BTA) insurance coverage. Eligible dependents (spouse, domestic partner, and dependent children), covered under the LSI group health plans also have a basic life insurance policy. Regular employees must work a minimum of 30 hours per week to be eligible for dependent life coverage. Life insurance benefits are reduced as follows for regular employees working less than

35 hours per week:

- Regular part-time employees who work 20, but less than 30 hours per week, are eligible for 50% of the life insurance benefit.
- Regular part-time employees who work 30, but less than 35 hours per week, are eligible for 75% of the life insurance benefit.

Beneficiary designations and/or changes for the life insurance plans can be made in My World. The same beneficiary designation(s) would apply to the basic life, AD&D and BTA plans. A separate beneficiary designation may be made for voluntary term life insurance. The chart below outlines the amounts of coverage available for each policy.

The IRS Imputed Income Rule

Under federal tax laws, if the total employer-paid life insurance amount is more than \$50,000, the value of the premiums for the coverage above \$50,000 will be added to the earnings reported on your annual W-2. This is called "imputed income." You will pay applicable income taxes on this amount. This amount is reflected in your paycheck as "Basic Life."

INSURANCE COVERAGE SUMMARY (COMPANY PAID)

Hours Worked Per Week	Basic Life Coverage Amounts*	AD&D Coverage Amounts	Business Travel Accident Coverage Amounts	Dependent Life Insurance Coverage Amounts**
35 or more	Choice of one: • 2X annual base salary • 1.5X annual base salary • 1X annual base salary • 2X annual base salary to a max. of \$50K	Same as Basic Life	3X annual base salary up to \$1,000,000	\$5,000 for dependents 6 months of age or older; \$500 for children under 6 months of age
30 - 34	Choice of one: • 2X annual base salary to a max. of \$50K • 1.5X annual base salary • 1X annual base salary	Same as Basic Life	3X annual base salary up to \$1,000,000	\$5,000 for dependents 6 months of age or older; \$500 for children under 6 months of age
20 - 29	• 1X annual base salary	Same as Basic Life	3X annual base salary up to \$1,000,000	Not Available

* Includes Targeted Sales Commissions. Note: There is a \$1.5 million maximum policy benefit amount unless otherwise noted above.

**Your dependent must be enrolled in an LSI health care plan in order to be eligible for dependent life coverage.

For basic life and AD&D, the total benefit amount is reduced to 65% of your benefit when you reach age 65. Increases in insurance amounts require evidence of insurability.

Voluntary Benefits Provide Added Coverage Options

LSI offers a range of voluntary benefits to enhance its benefits package offerings.

Pre-Paid Legal Services and Identity Theft Shield

The Pre-Paid Legal Services and Identity Theft Shield plans may be purchased together or separately. You pay your premiums through LSI payroll deductions. Pre-Paid Legal Services determines rates and coverage.

Pre-Paid Legal Services and the Legal Shield

The Pre-Paid Legal Services benefit provides access to attorneys nationwide for common legal issues encountered by employees and their families. If you leave LSI, both benefits are portable and the rates remain the same.

Services provided by the plan include:

- Phone consultations
- Wills and living wills preparation
- Letters written to a third party
- Traffic issues
- Document reviews

Legal assistance begins with your State's Provider Law Firm and includes a national network of referral attorneys and specialists. The Legal Shield is a 24/7 hotline to call for assistance if you are arrested, detained or dealing with law enforcement.

Coverage is provided for you and your spouse or domestic partner and eligible dependent children.

Identity Theft Shield

The Identity Theft Shield benefit is designed to safeguard your credit standing and alert you of fraudulent activity before your credit is jeopardized.

Protection through this benefit includes:

- A detailed credit report from Experian and analysis of your credit score
- Continuous credit monitoring
- Monthly activity reports
- Fraud alerts
- Credit restoration needed as a result of an identity theft incident

The plan covers you and your spouse or domestic partner.

Employee Monthly Premiums

Deductions are taken from the first paycheck of each month.

The employee monthly premiums* are:

- Pre-Paid Legal Services (and the Legal Shield): \$15.95
- Identity Theft Shield – identity theft protection: \$12.95
- Combination – Pre-Paid Legal Services and Identity Theft Shield: \$25.90

** Please note that different rates and plan designs apply to employees located in New Jersey and New York, per State insurance regulations. For more details please visit [Insight > Human Resources > Benefits U.S. > Life/Disability/Voluntary Insurance > Pre-Paid Legal](#).*

How to Enroll

Enrollment occurs once per year during open enrollment, using My World. You may enroll (or opt out) from September 15 to 30, for coverage starting on January 1, 2010. Employees who were previously enrolled in Pre-Paid Legal Services do not need to re-enroll in My World during this Open Enrollment. Your coverage will continue. However, we encourage you to verify your election in My World to ensure accuracy.

Contact Pre-Paid Legal Services for additional information at 1-800-530-3151, or email: rhona@unsellinc.com

Voluntary Benefits from MetLife®

Auto and Home Insurance, Group Long-Term Care Insurance and Veterinary Pet Insurance are administered through MetLife and can be conveniently paid by you through LSI payroll deductions. MetLife determines rates and coverage. Premiums are paid by employees who elect the coverage.

Auto and Home Insurance

MetLife Auto & Home's group program gives you access to quality auto and home insurance, as well as a full range of other personal insurance policies, including renters, boat, and personal excess liability ("umbrella" policy). The program also features 24-hour claim reporting and a variety of payment options to make your insurance more convenient. You may apply for coverage at any time.

Group Long-Term Care Insurance

Nursing Home Coverage and Comprehensive Coverage

Long-Term Care Insurance helps you pay for certain non-medical services you or an eligible family member could need if no longer capable of performing normal daily activities including bathing, dressing or eating. The need for long-term care can arise as a result of a serious accident, illness, or disability. You can choose either Nursing Home Coverage or Comprehensive Coverage. Each plan provides a different total lifetime benefit and covers different services. Depending on the plan you choose, services could include:

- Initial care advisory visits
- Home care and adult day care
- Nursing home, hospice, respite care and other long-term care services

This type of care generally isn't covered by other insurance. Group long-term care insurance is a simple, affordable way to help protect your savings and assets in the event that an eligible family member requires long-term care. Because the plan can provide benefits for care at home or in a facility, such as a nursing home, it can give you more financial flexibility in making important decisions about where long-term care services are received.

You or other eligible family members can enroll at any time. Your spouse, domestic partner*, adult children, stepchildren, adopted children age 18 and older, parents, parents-in-law, step parents, step parents-in-law, parents of domestic partners*, grandparents of domestic partners*, grandparents, and grandparents-in-law can apply for coverage, even if you don't elect coverage for yourself.

You may elect coverage at any time after you retire from/leave LSI. A surviving spouse may also apply for coverage for a family member. Employee enrollment and enrollment for eligible family members requires medical underwriting and evidence of insurability.

**Coverage availability for domestic partners is contingent upon state insurance regulations.*

METLIFE BENEFITS CONTINUED ON NEXT PAGE

Veterinary Pet Insurance

Veterinary Pet Insurance (VPI) can help you better manage the high cost of veterinary services for your pet. VPI is the number one licensed insurance plan for pets and is recommended by veterinarians and their staffs. Exclusively endorsed by the American Humane Association, plans provide comprehensive coverage that allows you to use any veterinarian worldwide (including specialist referrals) with no pre-authorization required. A VPI policy helps pay for prescriptions, lab fees, x-rays, surgery, hospitalization, treatment and office visits for any covered medical problem, subject to policy terms. You may apply for coverage at any time.

Plans are Portable

The MetLife plans are portable if you leave LSI. Group Long-term Care and Veterinary Pet insurance premiums would remain the same. The group discount for Group Auto and Home insurance would no longer apply.

How To Enroll

Visit MetLife's website at www.metlife.com/mybenefits. You will be able to enroll online right from your home or work computer. You may also call a MetLife representative at 1-800-GET-MET-8 (1-800-438-6388). You can apply for Group Long-Term, Auto and Home Insurance, and Pet Insurance at any time.

Voluntary Term Life Insurance

The LSI Voluntary Term Life (VTL) Insurance plan provided by ReliaStar Life Insurance Company, allows you to purchase additional life insurance coverage for yourself and eligible dependents, while taking advantage of low group rates. Employee and spouse/domestic partner rates are based on age; there is a flat rate for children. You may purchase up to \$750,000 in additional term life insurance for yourself, up to \$250,000 for your spouse/domestic partner and up to \$10,000 for each child. Your VTL premiums are conveniently paid through payroll deductions.

Maximum Guaranteed Issue Levels

The guaranteed issue levels are:

- \$400,000 for employees under age 65
- \$200,000 for employees age 65 and older
- \$50,000 for spouse, domestic partner; coverage terminates at age 70

Annual Voluntary Term Life: Increase Level Change

Employees may increase current levels of Voluntary Term Life Insurance up to \$20,000 per year without providing evidence of insurability up to the guaranteed issue limits for themselves and their spouse/domestic partner. All new plan entrants need to provide satisfactory evidence of insurability. The insurance company will notify you of the status of your application for coverage within approximately 30 days, following your application.

You may increase or decrease VTL coverage using My World.

Anyone not currently enrolled in VTL wishing to enroll now, must complete an application and an Evidence of Insurability Form, located on the Benefits website. If you are obtaining life insurance coverage for your spouse/domestic partner, their signature is required on the Evidence of Insurability form.

Beneficiary designations or changes can be made in My World. In the event the beneficiary is a trust, you will need to complete the form provided in My World and submit it to the HRIC.

To calculate your VTL monthly cost, complete the worksheet below.

To calculate your monthly Voluntary Term Life Insurance cost, complete this worksheet:

Employee _____ units	x	\$ _____ per unit	=	\$ _____
Spouse _____ units	x	\$ _____ per unit	=	\$ _____
Child(ren) _____ units	x	\$ _____ per unit	=	\$ _____
Total Monthly Cost				\$ _____

Did you know?

Did you know that your VTL policy is portable if you leave LSI? There is a \$500,000 limit on the amount of Voluntary Life Insurance you may take with you should you leave the company. You can keep the policy active by sending premiums directly to the insurance carrier. Your premium rates will remain the same, with the exception of a nominal billing fee.

MONTHLY Voluntary Term Life Premiums

(For Employee & Spouse)

Age	Monthly Cost per \$10,000 unit
Under 24	\$.60
25-29	.60
30-34	.90
35-39	1.00
40-44	1.30
45-49	1.90
50-54	3.20
55-59	5.30
60-64	8.20
65-69	15.50
70-74*	25.20
75-79*	42.50
80+*	57.00

The monthly premium for children is \$.20 per 1,000 unit. *Note: At age 65, the value of your VTL coverage is reduced; ReliaStar, the insurance carrier pays 65 percent; at age 75, the carrier pays 45 percent; and at age 80, the carrier pays 30 percent.

For spouses or domestic partners, beginning on and after age 65, the carrier decreases the amount of your insurance. From age 65 to 70, the carrier pays 65 percent. Coverage terminates at age 70.

Remember: You MUST re-enroll in the Health Care Spending & Dependent Care Account each year, regardless of whether your FSA contributions change or not!

The Health Care Flexible Spending Account allows participants to set aside up to \$5,000 annually in pre-tax money to pay for eligible health care expenses not covered by medical, dental, vision or EAP insurance.

The Plan is Simple...

- Estimate your incurred out-of-pocket health care expenses for the plan year (January 1 to December 31). See the Internal Revenue Service (IRS) claims extension information in the box at right. Use the worksheet on the following page to help you estimate your costs. You can only claim reimbursement for medical services actually received. If you have a pre-payment situation, such as for orthodontic care, contact TRI-AD to clarify what is eligible for reimbursement.
- The annual amount that you specify will be deducted, pre-tax, in equal amounts from each paycheck and credited to a special, tax-free account.
- When you have eligible expenses, use your FlexCard or apply for reimbursement from the account. Because you are using pre-tax money, you don't pay income tax on the money you use to pay for those services.

Examples of eligible expenses are listed in the chart below. Eligible expenses are reimbursed separately from your paycheck. You may logon to the TRI-AD website to set up direct deposit for your reimbursements. If you do not sign up for direct deposit, your reimbursement will be mailed to your home address.

How to Enroll

Remember: Open enrollment for this benefit is September 15-30. Just follow the directions outlined in the Online Enrollment through Portal - My World section of this newsletter.

Under IRS tax rules, health care and dependent care expenses for domestic partners and children of domestic partners may qualify for favorable tax treatment under the flexible spending account. If you submit eligible expenses for reimbursement, you will be required to provide additional documentation to TRI-AD to prove tax-dependent status per the Internal Revenue Service code.

TRI-AD

TRI-AD, the LSI flexible spending accounts administrator, is accessible to employees via the internet at the following address: www.tri-ad.com.

You can email TRI-AD 24 hours a day, 7 days a week with questions regarding your account. Send an email to TRI-AD at fsa@tri-ad.com. Include your name and the company name in the email. The TRI-AD Client Service Department will check email every two hours during business hours, and a response will be issued to you within 24 hours. Please note that claims will not be accepted through email.

You may view your FSA balance and track your claims online at www.tri-ad.com. The TRI-AD Client Service Department is also reachable by phone at 1-888-844-1372.

Internal Revenue Service Ruling Allows for Health Care Spending Account Claims Extension

The IRS allows for a ten week extension in which to incur claims for funds you elect for your Health Care Spending Account. This means you can incur 2010 Health Care Spending Account expenses up to March 15, 2011 for reimbursement by April 15, 2011. Current Internal Revenue Service regulations stipulate that any unused amounts are forfeited.

Expenses reimbursed from the employer-funded Anthem Blue Cross Health Reimbursement Account (HRA), are not eligible for reimbursement from your Health Care Spending Account.

Health Care Spending Account Eligible Expenses

Acupuncture	Crutches	Laetrile by Prescription	Private Institution/Home Cost for Mentally or Physically Disabled	Telephone, Special for Deaf
Alcoholism (substance abuse) Treatment	Deductibles	Legal Abortions	Psychiatric Care	Therapy Treatments
Ambulance Hire	Dental Fees	Massage Therapy (for medical purposes)	Psychoanalysis	Transplant/Donor Medical Expenses
Amounts Exceeding Payments Made by Insurance Companies for Eligible Expenses (UCR)	Dentures	Midwife	Psychologists' Fees	Transportation Expenses, Primarily in the Rendering of Medical Services
Artificial Limbs	Diagnostic Fees	Nursing Services	Radial Keratotomy	Tuition at Special School for the Disabled
Birth Control Pills	Eyeglasses, Including Examination Fee	Obstetrical Expenses	Routine Physicals	Vaccinations/Immunizations
Car Controls for the Disabled	Hearing Devices	Orthodontics	Seeing-Eye Dog and Its Upkeep	Wheelchair
Chiropractors	Home Improvements/ Modifications Motivated by Medical Considerations	Orthopedic Shoes	Solutions for the Care of Prescription Contact Lenses	Wigs (for hair loss due to disease)
Christian Science Practitioners' Fees	Hospital Bills	Over-the-Counter Drugs	Speech Therapists' Fees	X-Rays
Copays	Insulin	Oxygen	Sterilization Fees	
	Insurance Co-Payments	Physician Fees	Surgical Fees	
	Laboratory Fees	Prescription Drugs and Medical Supplies		

Remember: You MUST re-enroll in the Health Care Spending and Dependent Care Account each year, regardless of whether your FSA contributions change or not!

Take Advantage of TAX-FREE Dollars!

Looking for a good deal? Discover what a great benefit the Dependent Care Spending Account can be:

- You can set aside up to \$5,000 annually on a pre-tax basis.
 - You decide how much you want to contribute based on your needs. Estimate how much you will spend on dependent care during the plan year, January 1, 2010–December 31, 2010 using the worksheet at the right.
- Your contributions are taken from each paycheck before taxes are calculated and deposited into an account for you.
- This means you pay taxes on a lower amount of salary!
- When you file a claim, you are reimbursed with the money in your account. Your reimbursement is TAX-FREE!

How To Enroll

You must enroll during the Benefits Open Enrollment Period September 15-30, 2009. Enrollment is easy. Just follow the directions outlined in the "Open Enrollment through Portal - My World" article of this newsletter.

You can use the dependent care account if:

- You and your spouse are gainfully employed,
- You are a single, working parent, or
- Your spouse is a full-time student for at least 5 months during the plan year

What's Covered?

- Child care for kids through kindergarten (your kindergarten or other care facility needs to break out tuition and child care expenses since the IRS excludes expenses for education)
- Care before and after normal school hours - non-education expenses (for children under age 13)
- Day Camps (not overnight camps). Day programs that specialize in an activity (e.g., soccer or computer camps) may qualify
- Expenses for an au pair or nanny, including payroll taxes
- Day care for a disabled parent (provided the parent is living with you at least 8 hours a day and is claimed as your dependent for federal income tax purposes)

Dependent Care Spending Account Worksheet

Common Expense Examples	Spent This Year	Expected Next Year
January	\$	\$
February	\$	\$
March	\$	\$
April	\$	\$
May	\$	\$
June	\$	\$
July	\$	\$
August	\$	\$
September	\$	\$
October	\$	\$
November	\$	\$
December	\$	\$
Subtract amounts not paid due to vacation & holidays	\$	\$
Add additional amounts for summer months when school is out	\$	\$
TOTAL	\$	\$
MAXIMUM ALLOWABLE LIMIT	\$5,000	\$5,000
Per Pay Period Deduction (divide by 26)		
Maximum Deduction = \$192.30	\$	\$

(Worksheet corresponds to page 19.)

Health Care Spending Account Worksheet

Common Expense Examples	Spent This Year	Expected Next Year
Deductible:		
Medical	\$	\$
Dental	\$	\$
Co-Payments:		
Medical	\$	\$
Dental	\$	\$
Coinurance:		
Medical	\$	\$
Dental	\$	\$
Vision Exams	\$	\$
Contacts	\$	\$
Glasses	\$	\$
Mental Health Counseling	\$	\$
Chiropractic Care	\$	\$
Orthodontia	\$	\$
Hearing Exams/Aid	\$	\$
Prescription Drugs	\$	\$
Vaccinations/Immunizations	\$	\$
Other	\$	\$
TOTAL	\$	\$
MAXIMUM ALLOWABLE LIMIT	\$5,000	\$5,000
Per Pay Period Deduction (divide by 26)		
Maximum Deduction = \$192.30	\$	\$

- Refer to the Flexible Spending Account Summary Plan Description, located on the Benefits website on Insight, for complete details.
- Plan carefully – current Internal Revenue Service (IRS) regulations stipulate you must either use or lose the amount you elect to deposit into your Flexible Spending Account during the year in which the expenses occurred. Please refer to the IRS claims extension ruling for Health Care Spending Accounts, on page 19.
- The maximum amount you may contribute annually is \$5,000 for the Health Care Spending Account and \$5,000 for the Dependent Care Spending Account, during the year in which expenses were incurred. (Under federal regulations, individuals earning more than \$110,000 annually—along with certain other key employees—may have their maximum contribution reduced if plan participation is low).
- If you are reimbursed for health care expenses through the Health Care Spending Account, you cannot claim the same expenses as itemized deductions on your federal or state tax returns.
- Eligible dependent care expenses must be for an individual who is listed as a dependent on your income taxes. This may include a child or an elderly or disabled relative.
- Dependent care provided must be necessary in order for you and your spouse (if applicable) to go to work.
- Dependent care can be provided by a relative, but not a dependent relative.
- The Dependent Care Account is an alternative to the dependent care tax credit on your federal income tax return. Generally, families with an income of \$28,000 or more will usually benefit by using the Dependent Care Account instead of the federal tax credit. You cannot receive the benefit of both the Dependent Care Account and the federal tax credit for the same expenses. Consult your tax advisor to determine which option is better for you.
- Dependent Care Account funds can only be used for dependents under age 13. Budget funds accordingly if your dependent(s) turn 13 during the plan year.

Take Note if Electing the Anthem Health Reimbursement Account (HRA) PPO Plan!

- If you are electing the Anthem Health Reimbursement Account (HRA) PPO Plan, you need to plan your Health Care Spending Account dollars carefully. The plan includes an employer contribution that provides first dollar coverage for many health care expenses, before the employee deductible takes effect.
- Expenses reimbursed from the employer-funded Anthem HRA are not eligible for reimbursement from your Health Care Spending Account.

Family Status Changes

Under IRS rules, the Health Care Spending and Dependent Care Account contribution decisions you make each plan year will stay in effect for the entire year. You can only change the amount you have elected if you have a significant “change in family status” during the course of your employment with LSI.

You may enroll in any of the flexible spending account plans or change your contribution within 31 days of the change in status. In general, a change in family status is a life event that affects your need for a flexible spending account (FSA). Examples of a family status change are:

- Marriage, divorce or legal separation;
- The birth or placement for adoption of a child;
- The death of a spouse or a dependent;
- A change in employment for your spouse;
- A change in your employment status from full-time to part-time (or vice versa);
- An unpaid leave of absence taken by you or your spouse; and
- A significant change occurs in you or your spouse’s health coverage because of a change in your spouse’s employment.

To make a change, contact the Human Resources Information Center (HRIC) within 31 days of the event at 1-877-LSI LINE (1-877-574-5463), or VoIP 20-8400, or hrbenefits@lsi.com.

While not a part of the benefits you need to enroll in during the open enrollment timeframe, there are additional benefits that the Benefits Department would like to highlight.

Access Work Perks to Take Advantage of Discount and Work Life Services Programs

The Work Perks website provides a single point of entry to all programs and services from Insight > Human Resources > Benefits U.S. > [Work Perks](#). There are several new vendors, including:

- T-Mobile
- Quicken
- First Alert professional security services
- Gift and flower discounts through 1-800-Flowers, Teleflora, Fruit Company, RedEnvelope
- Retail discounts through Lands' End, PotsandPans, Sears

Other offerings include:

- Corporate discounts (wireless, home computer)
- Discounts on movie tickets, theme parks and special events
- Research and referrals for child/elder care, adoption, pet care, home repair, and education
- Travel and event planning services
- Home services discounts and other retail discounts

Don't Miss Out On The Fitness Club Subsidy!

You must submit 2009 expenses using the IFCN reimbursement form by December 31, 2009 or you will forfeit the subsidy for this year.

Fitness Club Subsidy

LSI offers a fitness club membership program through International Fitness Club Network (IFCN). More than 300 LSI employees have signed-up to receive the 50 percent subsidy toward fitness club membership fees, up to the \$250 annual maximum. This subsidy was found to be very competitive when benchmarked against our peer companies.

The intent of this benefit is to encourage employees to join a fitness club and maintain an active, healthy lifestyle.

You may join any fitness club you choose. If you join an IFCN network club, you will have additional benefits, including:

- A one-week free trial at a participating International Fitness Club Network (IFCN) health club.
The IFCN network includes more than 5,000 U.S. health and fitness clubs
- Preferred pricing on health and fitness clubs with which IFCN contracts
- The Passport Travel Program: If you belong to an IFCN club that participates in the travel program, you are eligible to visit another IFCN /Passport Travel member club for a nominal fee when traveling more than 50 miles outside your home.

How to Apply for the Subsidy

- Visit IFCN under the Work Perks website, via Insight > Human Resources > Benefits U.S. > Work Perks > Search by Provider (menu) > International Fitness Club Network, or call IFCN at 1-800-866-8466 to search for participating fitness clubs, using LSI as the login code.
- Click on the Health Club Directory link on the left-menu.
- If the club you are interested in is part of the IFCN network, download the one-week free trial membership certificate(s). Certificates are not to be combined for more than one-week at the same club.
- Download the reimbursement form from the member logon page.
- Fill out the form and ask your club to sign and complete any other sections including the club's address, and a contact name and number. You or the club can fax the form for reimbursement.
- The fitness club you belong to does not have to be in the IFCN network for you to obtain the subsidy.
- Reimbursements are processed twice per year, at the end of June and December.
- Reimbursement checks will be mailed to your home approximately 2-3 weeks after each deadline.
- You must submit your completed Reimbursement Form by June 30 for mid-year reimbursement, or by December 31. Any forms received on or after June 30 would be included for reimbursement in December of the same year.
- **You must submit 2009 expenses using the reimbursement form by December 31, 2009, or you will forfeit the subsidy for this year.**

All LSI employees also have access to:

- Online health and fitness-related tools and information
- Preferred pricing on fitness equipment and self-help kits listed on the IFCN website

Additional Discount Program Available to Anthem Plan Members

Anthem HRA (PPO) plan members have access to a program called Special Offers@Anthem, which provides discounts to fitness clubs, and other non-Anthem programs at discounted rates. See the sidebar on page 7 of this newsletter for contact information.

Using Portal - My World

LSI is pleased to bring you online benefits open enrollment through My World, the web-based employee self-service system! Your open enrollment changes and selections can be done right from your computer. To make this a smooth and easy process, you are encouraged to read the entire contents of this guide before attempting to login.

Important Note: Please reference the cover of this newsletter for a checklist of actions you may need to take for this open enrollment period.

It is important to remember, that if you wish to participate in the Flexible Spending Account, you must re-enroll each year, whether your contribution amount is changing or not. **You may access My World from the Quick Links menu, located on Insight.** This link will take you to Portal's logon page. Once there, you will be asked to input your login ID and password.

User ID and Passwords

Use your LDAP User ID and password. Employees with questions regarding their IDs and passwords should direct their inquiries to the LSI Help Desk at help@lsi.com or 1-888-574-4357.

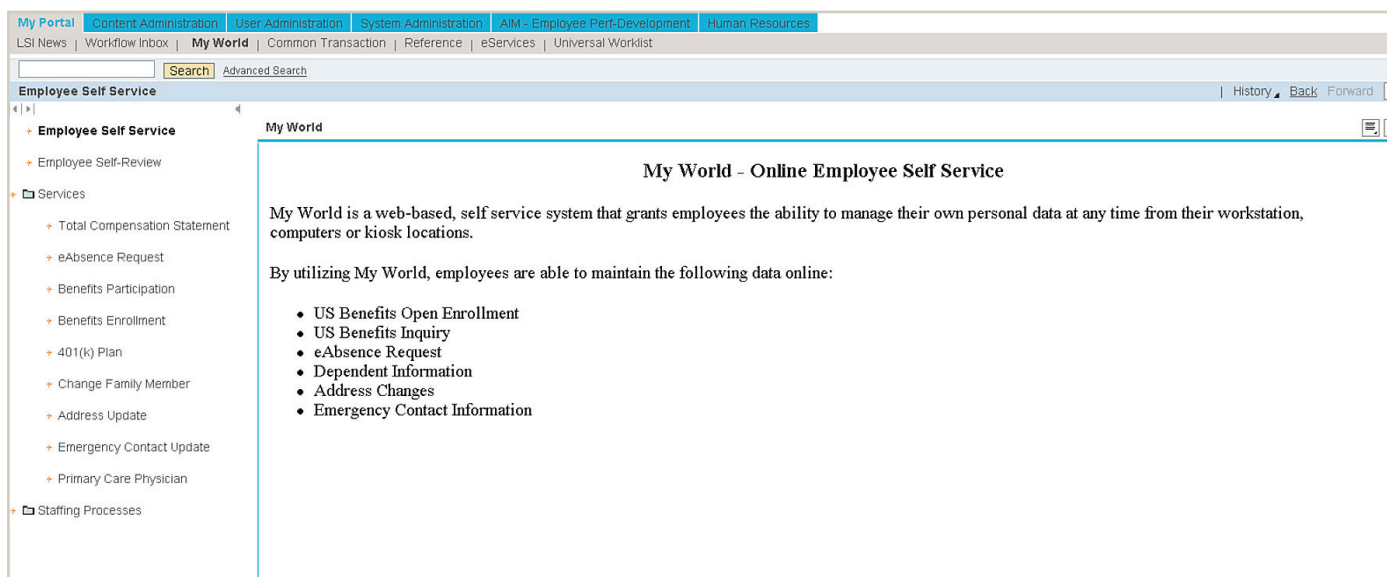
For complete step-by-step instructions on how to use My World in Portal, please refer to the steps on the following pages. To aid in maneuvering through the system, refer to the Getting Started and Helpful Hints section below. If additional assistance is required, contact the HR Information Center at VoIP 20-8400 or 1-877-LSI LINE (1-877-574-5463) or hrbenefits@lsi.com.



Using My World – Getting Started and Helpful Hints!

1. For optimal system performance be sure you are using Microsoft Internet Explorer 6.0.
2. If you attempt to delete a dependent incorrectly, you may receive an error message regarding the health plan. In order to successfully delete the dependent, follow the step-by-step instructions in this guide for Medical Plan, delete or enroll dependent(s).

Navigation to Services:



View Current Benefit Elections

- Step 1** From the Portal main Menu, select My World.
From the Employee Self-Service menu, select Services,
then Benefits Participation
Your benefit plans are listed under Current Participation.
Click on any plan for further details

Add a Dependent

- Step 1** From the Services Menu select
Change Family Member
Step 2 At the Family Member drop down box at the top of the screen
select the type of dependent you wish to add (i.e. child, spouse,
domestic partner, or domestic partner child)
Step 3 Select New if you are adding a new dependent. Select
Change if this is to add a previously deleted dependent or update
an existing dependent's data
Step 4 Enter the dependent's start date, at the top of the screen,
as January 1, 2010
Step 5 Enter the dependent's information (include primary care
physician, PCP, when enrolling in an HMO, if it is different
from the employee's PCP)
Step 6 Click the Save button. The dependent will now appear
in the Family Member overview

Repeat these steps to add other dependents

You have now added your dependent to the My World System. However,
you still need to elect medical coverage for this individual. To accomplish
this, follow the instructions for Enroll/Change Medical Plans below.

Additional Action Required! When enrolling a new dependent, a copy of a birth certificate
is required to enroll a child, a copy of a marriage certificate is required to enroll a spouse, and
a completed and notarized Domestic Partner Certification form is required to enroll a domestic
partner and/or a domestic partner child. This required documentation must be received by the
HRIC at mail stop AL100, or fax number 1-719-533-7668, prior to the close of Open Enrollment.
When enrolling a dependent between the ages of 19 to 25, you will be required to provide
full-time student verification to the benefit provider at a later date.

Medical Plan

Enroll/Change/Opt Out/Delete or Enroll Dependent(s)

- Step 1** From the Services Menu select Benefits Enrollment
and then select Open Enrollment
Step 2 Click on the new medical plan you wish to enroll in, or Opt
Out (if opting out, skip steps 3, 4, 7 and 8)
Step 3 Select the dependent/coverage level that you wish to enroll in
from the Dependent Coverage drop down menu
Step 4 Scroll down and place a checkmark by all dependents to be
covered (see Add a Dependent above). To delete a dependent
from medical coverage, uncheck the dependent box. Verify that the
selected coverage level corresponds to the number of covered dependents.
Step 5 Click the Add to Selection button at the top of the page
Step 6 Click the Submit button
Step 7 When electing the Preferred Plus of Kansas HMO you are required
to enter Primary Care Physician (PCP) information (from the
Services Menu, select Primary Care Physician).
This will assign the same PCP to all covered dependents.
To assign a different PCP to your covered dependents,
go to the Services Menu, select Change
Family Member.
Step 8 After entering your PCP information, you must select Save

Additional Action Required!

When electing to opt out of medical coverage, you must
complete a Health Care Waiver form, located on the
Benefits website on Insight. This required documentation
must be received by the HRIC at mail stop AL100, or fax
number 1-719-533-7668, prior to the close of
Open Enrollment.

Increase or Decrease Company Provided Life Insurance (Basic Life)

- Step 1** From the Services Menu, select Benefits Enrollment and then select Open Enrollment
- Step 2** Click on Basic Life/AD&D
- Step 3** Make a new Insurance Option selection from the drop down menu under Insurance option and coverage
- Step 4** Go to Beneficiary selection section to change the percentages if needed
- Step 5** Click the Add to Selection button
- Step 6** Click the Submit button

Note: Only beneficiaries with a number between 1 and 100 in the percent column will be a designated beneficiary. To add or delete a dependent/other beneficiary, go to the Family Member/Dependents link. In the event the beneficiary is a trust, complete a Beneficiary Change form located in My World and submit it to the HRIC at mail stop AL 100, or by faxing to 719-533-7668.

Decrease Supplemental AD&D

This plan is grandfathered for legacy Agere employees. If you are currently enrolled, you can decrease your additional units or enter 0 to opt out. You cannot newly enroll in this plan or increase units. If you are enrolled in EE only coverage, you cannot switch to EE+Family coverage

- Step 1** From the Services Menu, select Benefits Enrollment and then select Open Enrollment
- Step 2** Click on Supplemental AD&D – EE only or Supplemental AD&D – EE + Family
- Step 3** Enter in an amount to decrease units or 0 to opt out
- Step 4** Go to Beneficiary selection and enter the percentages for each beneficiary. To add or delete a dependent/other beneficiary, go to the Family Member/Dependents link.
- Step 5** Click the Add to Selection button
- Step 6** Click the Submit button

Note: Only beneficiaries with a number between 1 and 100 in the percent column will be a designated beneficiary. In the event the beneficiary is a trust, complete the Beneficiary Change form provided in My World and submit it to the HRIC at mail stop AL100, FAX to 719-533-7668, or email to hrcbenefits@lsi.com.

Increase or Decrease Voluntary Term Life Insurance (VTL)

See page 15 for information on enrollment instructions and how to make other changes.

- Step 1** From the Services Menu, select Benefits Enrollment and then select Open Enrollment
- Step 2** Click on Voluntary Term Life-Child or Voluntary Term Life-Spouse or Voluntary Term Life-EE < 65 or Voluntary Term Life-EE >= 65
- Step 3** Enter in an amount to increase/decrease additional units or 0 to opt out
- Step 4** Go to Beneficiary selection section to change the percentages if needed. For legacy Agere employees, see Step 4 listed above, under Decrease Supplemental AD&D.
- Step 5** Click the Add to Selection button
- Step 6** Click the Submit button

Note: Only beneficiaries with a number between 1 and 100 in the percent column will be a designated beneficiary. To add or delete a dependent/other beneficiary, go to the 'Family Member/Dependents' link. In the event the beneficiary is a trust, complete the Beneficiary Change form provided in My World and submit it to the HRIC at mail stop AL 100, or by faxing to 719-533-7668.

Benefits Enrollment

Basic Life/AD&D

Plan details

Add to selection Back to offer

Plan	Basic Life/AD&D	01/01/2010 - 12/31/9999
Plan type	Basic Life/AD&D	

LSI pays for your Basic Life Insurance and AD&D Insurance. Under federal tax laws, if your employer-paid life insurance amount is more than \$50,000, the premiums for coverage above \$50,000 will be added to the earnings reported on your annual W-2. This is called imputed income. You will pay applicable taxes on this amount.

*Your spouse's signature is required on the Basic Life application if you choose a coverage amount that is less than the maximum available to you. Return the signed form to the HRIC at Mail Stop AL100 or via fax 719-533-7668.

Underwritten by ReliaStar Life Insurance Company.

Insurance option and coverage

Insurance Option	2x to Maximum	
Basic Coverage Amt	USD	110,000.00
Additional Units	0 x	USD 0.00
Insurance Coverage	USD	110,000.00

Costs Bi-weekly

EE post-tax	USD	0.00
Employer	USD	0.00

Beneficiary selection

Beneficiary	Percent	Contingency benefit
Beneficiary 1	Other Beneficiary	<input type="checkbox"/>
Beneficiary 2	Other Beneficiary	<input type="checkbox"/>

Benefits Enrollment

Supplemental AD&D - EE only

Plan details

Add to selection Back to offer

Plan	Supplemental AD&D - EE only	01/01/2010 - 12/31/9999
Plan type	Sup AD&D	

This plan is grandfathered for xAgere. If you are currently enrolled, you can decrease your additional units or put in a 0 to opt out. You cannot newly enroll in this plan, increase units, nor switch to EE+Family coverage.

Insurance option and coverage

Insurance Option	Sup AD&D - Employee	
Basic Coverage Amt	USD	0.00
Additional Units	x	USD 10,000.00
Insurance Coverage	USD	0.00

Costs Bi-weekly

EE post-tax	USD	0.00
Employer	USD	0.00

Beneficiary selection

Beneficiary	Percent	Contingency benefit
Beneficiary 1	Other Beneficiary	<input type="checkbox"/>
Beneficiary 2	Other Beneficiary	<input type="checkbox"/>

Recalculate

Benefits Enrollment

Voluntary Term Life-EE < age 65

Plan details

Add to selection Back to offer

Plan	Voluntary Term Life-EE < age 65	01/01/2010 - 12/31/9999
Plan type	VTL-Employee	

If Evidence of Insurability (EOI) is required, please fill out the Evidence of Insurability form and send to ReliaStar Life Insurance Company. Select the 'Rate Information' button above for more details on EOI conditions. To opt out of the plan, put in a 0 for additional units and select the 'Add to selection' button.

Insurance option and coverage

Insurance Option	Voluntary Term Life-EE < 65	
Basic Coverage Amt	USD	0.00
Additional Units	x	USD 10,000.00
Insurance Coverage	USD	0.00

Underwritten by ReliaStar Life Insurance Company, policy form LP00GP. Plan rates are guaranteed until January 1, 2012. Individual rates will change according to your age bracket each year.

Costs Bi-weekly

EE post-tax	USD	0.00
Employer	USD	0.00

Beneficiary selection

Beneficiary	Percent	Contingency benefit
Beneficiary 1	Other Beneficiary	<input type="checkbox"/>
Beneficiary 2	Other Beneficiary	<input type="checkbox"/>

Recalculate

Flexible Spending Account

You MUST re-enroll in the Health Care and/or Dependent Care account(s) each year, regardless of whether your contribution amount is changing!

- Step 1** From the Services Menu select Benefits Enrollment and then select Open Enrollment
- Step 2** Click on Health Care Spending Account (scroll to the right to make sure you are enrolling in the 2010 plan)
- Step 3** Enter in an annual amount between \$25 and \$5,000
- Step 4** Click the Add to Selection button
- Step 5** Click the Submit button

Repeat the above steps, selecting Dependent Care Spending Account in Step 2, to enroll in the Dependent Care Account plan.

Once entered, if you wish to revise your 2010 FSA Open Enrollment election, scroll to the right and select the Health Care or Dependent Care account for 2010. Enter the new amount. Click Add to Selection then click Submit.

Once entered, if you wish to delete your 2010 FSA Open Enrollment election, scroll to the right and select the Health Care or Dependent Care account for 2010. Check the Stop Participation in Period box.

Prepaid Legal

View/Enroll/Change/Opt Out

- Step 1** From the Services Menu, select Benefits Enrollment and then select Open Enrollment
- Step 2** Click on Prepaid Legal
- Step 3** Make a new Option selection from the drop down menu under Plan option
- Step 4** Click the Add to Selection button
- Step 5** Click the Submit button

View Your Open Enrollment Benefits Confirmation Form

- Step 1** After submitting selections, at the Enrollment complete screen, click Display confirmation form
- Step 2** Print the pdf form

Alternatively,

- Step 1** From the Services Menu select Benefits Participation
- Step 2** Change the Validity date to 01/01/10
- Step 3** Click the Refresh button
- Step 4** Click on any plans for further details

Print Your Open Enrollment Benefits Elections

- Step 1** From the Services Menu select Benefits Participation
- Step 2** Change the Validity date to 01/01/10
- Step 3** Click the Refresh button
- Step 4** Click Confirmation form
- Step 5** Print the pdf form

The screenshot shows the 'Benefits Enrollment' page for 'Health Care Spending Acct.'. It includes a 'Plan details' section with 'Add to selection' and 'Back to offer' buttons. Below this, there are dropdown menus for 'Plan' (Health Care Spending Acct.) and 'Plan type' (Health FSA), followed by an 'Information' button. At the bottom, there is a 'Target contribution period' (01/01/2010 - 12/31/2010) and an 'Amount' field set to 'USD'.

The screenshot shows the 'Benefits Enrollment' page for 'Dependent Care Spending Acct.'. It includes a 'Plan details' section with 'Add to selection' and 'Back to offer' buttons. Below this, there are dropdown menus for 'Plan' (Dependent Care Spending Acct.) and 'Plan type' (Dependent FSA), followed by an 'Information' button. At the bottom, there is a 'Target contribution period' (01/01/2010 - 12/31/2010) and an 'Amount' field set to 'USD'.

The screenshot shows the 'Benefits Enrollment' page for 'Prepaid Legal'. It includes a 'Plan details' section with 'Add to selection' and 'Back to offer' buttons. Below this, there are dropdown menus for 'Plan' (Prepaid Legal) and 'Plan type' (Prepaid Legal), followed by an 'Information' button. A note states: 'Please note that Prepaid Legal is a monthly, NOT bi-weekly, deduction. The costs listed below are bi-weekly amounts. Select the "Information" button above for more details.' Below the note, there is a 'Plan option' dropdown menu set to 'Legal and ID Theft'. At the bottom, there is a table showing 'Costs Bi-weekly' for 'EE post-tax' (USD 11.95) and 'Employer' (USD 0.00).

The screenshot shows the 'Benefits Enrollment' page for 'Benefits - Open Enrollment'. It includes an 'Additional information' section with buttons for 'Costs and contributions', 'Investments', 'Dependents', 'Beneficiaries', and 'Physician search'. Below this, there is an 'Enrollment complete' section with the message 'Your selection has been successfully processed'. A bullet point indicates 'Evidence of insurability required'. A note states: 'If the "Evidence of insurability required" message appears above, EOI is required for your Voluntary Term Life election. You must follow the directions detailed in the online [form](#) to begin your EOI process.' At the bottom, there are buttons for 'Display confirmation form', 'Back to offer', and 'Back to enrollment reasons'.

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