



# **HonorHealth Survivor and Accidental Death and Dismemberment Benefit Plan**

**Restated and Amended January 1, 2016**

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**HONORHEALTH  
SURVIVOR AND ACCIDENTAL DEATH AND  
DISMEMBERMENT BENEFIT PLAN**

**INTRODUCTION**

Scottsdale Healthcare Hospitals dba HonorHealth (the “Company”) currently sponsors a group life and accidental death and dismemberment benefits plan (the “Plan”), which is a self-funded plan. This Plan document describes the terms and conditions of a Participant’s coverage under the Plan and is intended to serve as both the Plan document and the Summary Plan Description for the Plan.

Since the Plan is self-funded, benefits are paid directly out of the general assets of the Company. While the Company intends to set aside assets sufficient to meet its obligations to Plan Participants, as determined by periodic actuarial valuations, the Company has not undertaken a legal obligation to do so and, if assets are so set aside, such assets will remain part of the Company’s general assets and will be subject to the claims of the Company’s general creditors. Any assets so set aside shall not be considered to be Plan assets and they will not be held in trust or in a separate account in the name of the Plan.

**HOW TO OBTAIN PLAN BENEFITS**

To obtain benefits see the Payment of Claims provision.

Forward Your completed claim form to:

Employee Benefits Department  
HonorHealth  
Survivor and Accidental Death and Dismemberment Plan  
8125 N. Hayden Road  
Scottsdale, AZ 85258

**CLAIMS ASSISTANCE**

If You need assistance with filing Your claim or an explanation of how Your claim was paid, contact:

Employee Benefits  
HonorHealth  
Survivor and Accidental Death and Dismemberment Plan  
8125 N. Hayden Road  
Scottsdale, AZ 85258

## BENEFITS SUMMARY

January 1, 2016

This Benefits Summary provides a brief description of some of the features and benefits of the Plan. For a complete description of the benefits, exclusions, and limitations, refer to the appropriate section of the Plan.

**Who is Covered:** ..... Class 1 - All eligible Corporate Executives, Senior Vice Presidents, Vice Presidents, Associate Vice Presidents, Employed Physicians (including Physician Network and Medical Directors) and Foundation Senior Vice President and President

Class 2 - All eligible Directors, Managers, Residents, Nurse Practitioners, Physician Assistants and Foundation Vice Presidents and Associate Vice Presidents

Class 3 - All eligible Employees and Foundation staff

**Minimum Work Hours Required:** .....32 hours per pay period

**Eligibility Waiting Period:** .....None

**Date Coverage Begins** ..... First day of the month following the day You begin Active Employment with the Company

**Class 1 Survivor Benefit:** .....\$50,000

**Class 2 Survivor Benefit:** .....An amount equal to two times Your Annual Salary up to \$400,000

**Class 3 Survivor Benefit:** .....An amount equal to one time Your Annual Salary up to \$200,000 (minimum of \$25,000)

**Accidental Death & Dismemberment Benefit:** .....An amount equal to Your Survivor Benefit

**Class 2 and Class 3 Reductions:** .....Benefits may reduce at a specified age

## DEFINITIONS

When used in the Plan, the following words and phrases have the meanings set forth below, unless a clearly different meaning is required by the context in which the word or phrase is used.

**Accident** means a sudden, unexpected, unforeseeable and unintended event, independent of Sickness and all other causes. Accident does not include Sickness, disease, bodily or mental infirmity or medical or surgical treatment thereof, bacterial or viral infection, regardless of how contracted. Accident does include bacterial infection that is the natural and foreseeable result of an accidental external bodily Injury or accidental food poisoning.

**Active Employment and Actively Employed** means working in a budgeted position 32 hours per pay period at Your:

- (a) regular job; and
- (b) customary place of employment or other location to which You must travel to perform Your regular job.

**Annual Salary** means Your basic annual salary or rate of pay. It does not include overtime, bonus or other additional pay.

**Automobile** means a licensed private passenger motor vehicle for use on public highways.

**Claims Administrator** means the person or entity appointed by the Company to perform those duties specifically allocated to the Claims Administrator in the Plan, to process claims and decide all appeals under the Plan, and to perform such duties as may be delegated to it by the Plan Administrator from time to time.

**Code** means the Internal Revenue Code of 1986, as amended.

**Comatose** means to be in a profound stupor or state of complete and total unconsciousness, as a result of an Injury.

**Company** means Scottsdale Healthcare Hospitals dba HonorHealth. However, for purposes of the Plan Administration section and the amendment and termination provisions of the Miscellaneous Provisions section, "Company" means only Scottsdale Healthcare Hospitals dba HonorHealth.

**Controlled Drug** means any drug having the capacity to affect behavior and regulated by law with regard to possession and use.

**Employed Physician** means licensed Physician who is employed on a full-time or part-time basis with the Company and who is on the Company's W-2 payroll.

**Employee** means an individual that the Company classifies as a common-law employee and who is on the Company's W-2 payroll. Regardless of any subsequent determination by a court or a governmental agency that an individual should be treated as a common law employee, an

individual will be considered an Employee under the Plan only if such individual has been so classified by the Company for purposes of this Plan and is not treated as:

- (a) a leased employee (including, but not limited to, those individuals defined as leased employees) in Code Section 414(n) or an individual classified by the Company as a contractor worker, independent contractor, temporary employee, or casual employee for the period during which such individual is so classified; or
- (b) an individual who performs services for the Company but who is paid by a temporary or other employment or staffing agency for the period during which such individual is paid by such agency.

If an individual is characterized as a common law employee of the Company by a governmental agency or court but not by the Company, such individual shall be treated as an employee who has not been designated for participation in this Plan.

**ERISA** means the Employee Retirement Income Security Act of 1974, as amended.

**FMLA** means the Family and Medical Leave Act of 1993, as amended.

**Injury** means an accidental bodily injury which requires treatment by a Physician. It must result in loss independently of sickness and other causes.

**Intoxicated** means blood alcohol level at the time of death or dismemberment that equals or exceeds the legal limit for operating a motor vehicle in the jurisdiction in which the loss occurs.

**Loss of a Hand or Foot** means complete Severance of at least four whole fingers from one hand or Severance above the ankle joint.

**Loss of Hearing** means total and permanent loss of hearing in both ears which cannot be corrected by any means.

**Loss of Sight** means the total and permanent loss of sight of the eye. The loss of sight must be irrecoverable by natural, surgical or artificial means.

**Loss of Speech** means total, permanent and irrecoverable loss of audible communication. The loss of speech must be irrecoverable by natural, surgical or artificial means.

**Loss of a Thumb and Index Finger** means Severance through or above the metacarpophalangeal joints (the joints between the fingers and the hand).

**Paralysis** means loss of use of a limb without Severance. This loss must be determined by a Physician to be complete and irreversible.

**Physician** means any of the following licensed practitioners:

- (a) a doctor of medicine (MD), osteopathy (DO), podiatry (DPM) or chiropractic (DC);
- (b) a licensed doctoral clinical psychologist;

- (c) a Master's level counselor and licensed or certified social worker who is acting under the supervision of a doctor of medicine or a licensed doctoral clinical psychologist;
- (d) a licensed physician's assistant (PA); or
- (e) where required to cover by law, any other licensed practitioner who is acting within the scope of his/her license.

A Physician does not include a person who lives with You or is part of Your family (You; Your spouse; or a child, brother, sister or parent of You or Your spouse).

**Plan** means the HonorHealth and Accidental Death and Dismemberment Benefit Plan.

**Plan Administrator** means HonorHealth.

**Prior Group Plan** means the groups plan providing similar benefits (whether insured or self-insured plans provided by the Company) in effect immediately prior to the effective date of this Plan.

**Resident** means a Physician participating in the Company's residency program.

**Seasonal Employee** means an Employee employed in a "seasonal" job classification.

**Seat Belt** means a factory-installed lap and shoulder seat belt or other restraint device approved by the National Highway Traffic Safety Administration.

**Serious Health Condition** is defined as stated in the FMLA.

**Service in the Uniformed Services** means the performance of duty on a voluntary or involuntary basis in a uniformed service under competent authority and includes active duty, active duty for training, initial active duty for training, inactive duty training, full-time National Guard duty, a period for which a person is absent from a position of employment for the purpose of an examination to determine the fitness of the person to perform any such duty, and a period for which a person is absent from employment for the purpose of performing certain funeral honors duty.

**Severance** means the complete separation and dismemberment of the part from the body.

**Sickness** means a disease, disorder or condition, which requires treatment by a Physician.

**Terminal Condition** means an Injury or Sickness:

- (a) expected to result in Your death within 12 months; and
- (b) from which there is no reasonable prospect of recovery;

as determined by the Plan Administrator or a qualified party selected by the Plan Administrator.

**Total Disability or Totally Disabled** means that because of an injury or sickness You are completely and continuously unable to perform any work or engage in any occupation.

**Traveling on Business of the Company** means any trip made by You on assignment by or with authorization of the Company for the purpose of furthering the business of the Company. If this trip is made on a private aircraft, then the aircraft must:

- (a) have a current and valid Federal Aviation Administration of the United States (FAA) standard air worthiness certificate; and
- (b) is operated by a person holding a current and valid FAA pilot's certificate of rating authorizing him or her to operate the aircraft. The pilot or crew could be a Participant under the Plan.

**Uniformed Services** means the United States Armed Forces, the Army National Guard and the Air National Guard when engaged in active duty for training, inactive duty training, or full-time National Guard duty, the commissioned corps of the Public Health Service, and any other category of persons designated by the President in time of war or emergency.

**USERRA** means the Uniformed Services Employment and Reemployment Rights Act of 1994, as amended.

**You, Your, Participant** means an Employee who is participating in the Plan.



## **EMPLOYEE ELIGIBILITY**

### **Eligible Employees**

You are eligible on the day You begin Active Employment with the Company.

You are eligible as long as:

- (a) You are a regular Employee of the Company;
- (b) You are and continue to be Actively Employed; and
- (c) You receive compensation for Your work from the Company.

Notwithstanding the foregoing, a Seasonal Employee will remain eligible during his or her regularly scheduled leave of absence from the Company each year, as determined in accordance with the Company's policies.

### **When Your Coverage Begins**

You will become covered under the Plan on the first day of the month following the day You become eligible, provided You are actively at work on that day. If You are not actively at work on that day, Your coverage will begin on the day You return to active work.

### **Exceptions**

- (a) If, on the day Your coverage is to begin:
  - (1) You are on a regular paid day of vacation; or
  - (2) such day is a regular non-working day;

You will still be considered actively at work if You were available for work on the last preceding regular work day.

- (b) If on the day Your coverage is to begin You do not report to work, You will be considered actively at work if You are available for work on that day.
- (c) If Your customary place of employment is at Your home, You will be considered actively at work if You are not confined on that day (as described in the Confinement Rule below).

### **Confinement Rule**

If You are:

- (a) hospital confined;
- (b) confined in any institution/facility other than a hospital due to an injury or sickness; or

- (c) confined at home and under the supervision of a Physician;

coverage will begin on the day after such confinement ends.

If You are not:

- (a) confined; and
- (b) available for work because of injury or sickness;

coverage will begin on the day You return to active work.

### **Amount of Coverage**

The amount of coverage for Your classification is shown in the Schedule.

### **Changes in Your Classification or in the Amount of Your Coverage**

Any changes in Your classification or coverage will take effect on the day of the change provided You are actively at work on that day. If You are not actively at work, the following conditions will apply:

- (a) If the change involves an increase in coverage, the change will not take effect until the day You return full-time to Your regular job.
- (b) If the change involves a decrease in coverage, the change will take effect on the day of the change.

### **When Your Coverage Ends**

Your coverage will end at midnight on the earliest of:

- (a) the day the Plan is terminated;
- (b) the day before You enter the Armed Forces on active duty (except for temporary active duty of two weeks or less and except as provided in the Section titled “Uniformed Services Employment and Reemployment Rights”); or
- (c) the day You are no longer eligible under the Plan.

You will no longer be eligible when:

- (a) You are no longer in an eligible class; or
- (b) You retire or terminate employment; or
- (c) You do not satisfy:
  - (1) the requirements for hours worked; or
  - (2) any other eligibility condition in the Plan.

However, You may be eligible to continue Your coverage in accord with the following continuation provisions.

**Continuation of Survivor Benefits and Accidental Death and Dismemberment Benefits During Leave of Absence or Disability Elimination Period**

**Due to Leave of Absence**

Your Survivor Benefits and Accidental Death and Dismemberment Benefits Coverage may be continued for 6 months in the event You go on a leave of absence approved by the Company. In addition, a Seasonal Employee's Survivor Benefits and Accidental Death and Dismemberment Benefits Coverage will continue during his or her regularly scheduled leave of absence from the Company each year, as determined in accordance with the Company's policies.

**Due to Total Disability**

Your Survivor Benefit Coverage will continue during the Disability Elimination Period as long as You remain Totally Disabled. The Disability Elimination Period is the 6 consecutive months of Total Disability beginning on the date You first become Totally Disabled. After completing the Disability Elimination Period You may be eligible to continue Your Survivor Benefit Coverage in accord with the Continuation of Survivor Benefit Coverage Due to Total Disability provision shown below.

If You are eligible for Continuation of Survivor Benefit Coverage during the Disability Elimination Period, Accidental Death and Dismemberment coverage will be continued under the same conditions as the Survivor Benefit, however Accidental Death and Dismemberment coverage automatically terminates on the earlier of:

- (a) the completion of the Disability Elimination Period; or
- (b) the date You are no longer Totally Disabled.

This Plan does not allow continuation of coverage as provided by the Consolidated Omnibus Budget Reconciliation Act (COBRA), as amended.

**Continuation of Survivor Benefit Coverage Due to Total Disability**

If You are Totally Disabled, Your Survivor Benefit Coverage will not end in accord with the When Your Coverage Ends provision, but will be continued provided:

- (a) the disability began while You were covered under this Plan;
- (b) the disability began before You reached age 60;
- (c) You have completed Your Disability Elimination Period; and
- (d) proof of the disability is given to the Plan Administrator as described in the following paragraph.

You must notify the Plan Administrator of Your Total Disability during the Disability Elimination Period. After receiving Your notification, the Plan Administrator will send You an Initial Proof of Total Disability Form for You and Your Physician to complete. You must return this form within 90 days after it is sent. Upon acceptance of Your initial proof and completion of the Disability Elimination Period, Your Survivor Benefit Coverage will continue for at least one year.

Thereafter, the Plan Administrator will periodically send You a Subsequent Proof of Disability Form for You and Your Physician to complete. If proof is acceptable, Your Survivor Benefit Coverage will be continued for at least one year.

In order to confirm that You are Totally Disabled, the Plan Administrator has the right to have You examined by a Physician of its choice. The Company will pay for these examinations. The Plan Administrator may have You examined any time during the first two years of disability and once a year from then on.

Your continued Survivor Benefit Coverage is the amount in force on the day coverage would have otherwise ended. Survivor Benefit Coverage provided under the Continuation of Survivor Benefit Coverage Due to Total Disability provision is subject to the reductions and terminations shown in the Schedule.

#### **When Continuation of Survivor Benefit Coverage Due to Total Disability Ends**

Your Survivor Benefit Coverage will end at midnight on the earliest of:

- (a) the day You are no longer Totally Disabled;
- (b) the day Your Disability Elimination Period ends without providing Initial Proof of Total Disability;
- (c) 90 days after a Subsequent Proof of Total Disability Form is sent, but not returned; or
- (d) the day You fail to attend an examination or cooperate with an examiner.

**FAMILY AND MEDICAL LEAVE ACT**  
**(As Federally Mandated)**

**Family and Medical Leave Act**

If You become eligible for a family or medical leave of absence in accordance with the FMLA Your coverage may be continued on the same basis as if You were an actively-at-work employee for up to the number of weeks as specified in the Company's policies.

In the event You or Your spouse are both covered as Employees of the Company, the continued coverage may not exceed a combined total of 12 weeks. In addition, if the leave is taken to care for a parent with a Serious Health Condition, the continued coverage may not exceed a combined total of 12 weeks.

**Conditions:**

- (a) If, on the day Your coverage is to begin, You are already on an FMLA leave of absence You will be considered actively at work and Your coverage will begin in accordance with the terms of the Plan. However, if Your leave of absence is due to a Serious Health Condition, benefits for that condition will not be payable to the extent benefits are payable under any Prior Group Plan.
- (b) You are eligible to continue coverage under FMLA if:
  - (1) You have worked for the Company for at least one year;
  - (2) You have worked at least 1,250 hours over the previous 12 months; and
  - (3) the Company employs at least 50 employees within 75 miles from Your worksite.
- (c) You are subject to all conditions and limitations of the Plan during Your leave, except that anything in conflict with the provisions of the FMLA will be construed in accordance with the FMLA.
- (d) This FMLA continuation is concurrent with any other continuation option except for COBRA, if applicable.
- (e) FMLA continuation ends on the earliest of:
  - (1) the day You return to work;
  - (2) the day You notify the Company that You are not returning to work;
  - (3) the day Your coverage would otherwise end under the Plan; or
  - (4) the day coverage has been continued as specified in the Company's policies.

**Important Notice:**

Contact the Company for additional information regarding FMLA.

**UNIFORMED SERVICES EMPLOYMENT AND  
REEMPLOYMENT RIGHTS  
(As Federally Mandated)**

**Reemployment** (following service in the Uniformed Services)

Following Your discharge from such service, You may be eligible to apply for reemployment with Your former employer in accord with USERRA.

**Benefits**

The Company's leave of absence policy will determine Your right to participate in the Plan during your Uniformed Service.

After reemployment, credit will be given, if applicable, for the period of such service, if required to determine Your benefit amounts or eligibility.

**Important Notice**

In the event of a conflict between this provision and USERRA, the provisions of USERRA, as interpreted by the Company, will apply.

**SCHEDULE OF BENEFITS**

The amount of coverage for You will be in accord with Your classification in this Schedule.

**Classifications**

Class 1 - All eligible Corporate Executives, Senior Vice Presidents, Vice Presidents, Associate Vice Presidents, Employed Physicians (including Physician Network and Medical Directors) and Foundation Senior Vice President and President

Class 2 - All eligible Directors, Managers, Residents, Nurse Practitioners, Physician Assistants, and Foundation Vice Presidents and Associate Vice Presidents

Class 3 - All eligible Employees and Foundation staff

**SURVIVOR BENEFITS**

In the event of Your death, Your Survivor Benefit will equal Your original Survivor Benefit, multiplied by the Life reduction percentage, if applicable, and reduced by any Living Benefit paid under the Plan.

**Original Survivor Benefits**

**Class 1 Survivor Benefit** .....\$50,000

**Class 2 Survivor Benefit** ..... An amount equal to two times Your Annual Salary, up to \$400,000. Any amount of the Survivor Benefit not a multiple of \$1,000 will be changed to the next higher multiple of \$1,000.

**Class 3 Survivor Benefit** ..... An amount equal to one time Your Annual Salary, up to \$200,000 (minimum of \$25,000). Any amount of the Survivor Benefit not a multiple of \$1,000 will be changed to the next higher multiple of \$1,000.

**Life Reduction Percentage**

Class 2 and Class 3 Survivor Benefits will be reduced as follows:

<b>If You are age:</b>	<b>The Survivor Benefit shown above will reduce to:</b>
70.....	45%
75.....	30%
80.....	20%

The reduction will be made on the day You attain the specified age.

If You are age 70 or older on the day You become covered under the Plan, the reduction will be made in accord with Your attained age.

**Living Benefits Option (Accelerated Benefits)**

**Class 1 Living Benefit** ..... 50% of the Survivor Benefit, but not to exceed \$25,000.

**Class 2 Living Benefit** ..... 50% of the Survivor Benefit, but not to exceed \$200,000.

**Class 3 Living Benefit** ..... 50% of the Survivor Benefit, but not to exceed \$100,000.

**ACCIDENTAL DEATH AND DISMEMBERMENT BENEFITS**

**Principal Sum** ..... An amount equal to Your Survivor Benefit; however, if Your Survivor Benefit has been reduced by the Living Benefits Option, such reduction will not apply to this Accidental Death and Dismemberment Principal Sum.



## **SURVIVOR BENEFITS**

### **Benefits**

If You die while covered under the Plan, we will pay the Survivor Benefit shown in the Schedule. Survivor Benefits will be paid to the beneficiary You name. If You do not name a beneficiary or if no beneficiary survives You, benefits will be paid:

- (a) to Your surviving spouse; if none, then
- (b) to Your surviving natural and/or adopted children; if none, then
- (c) to Your surviving parent(s); if none, then
- (d) to Your estate.

Benefits will be paid equally among surviving children or surviving parents.

### **Mode of Payment**

The Company will pay benefits

- (a) in a lump sum; or
- (b) in other than a lump sum if:
  - (1) another mode of payment is requested as described below; and
  - (2) the Company agrees to it in writing.

### **Beneficiary or Mode of Payment Change**

The beneficiary and mode of payment may be changed unless this right has been given up. To make a change, written request should be sent to the Plan Administrator. When approved and acknowledged, the change will take effect as of the date the request is signed. However, the change will not apply to any payments or other action taken by the Company before the request was approved and acknowledged.

**NOTE:** The Company believes that benefits paid under this provision should not be taxable. As with all tax matters, though, You should consult Your personal tax advisor.

## **SURVIVOR BENEFITS**

### **LIVING BENEFITS OPTION (ACCELERATED BENEFITS)**

#### **Benefits**

If You incur a Terminal Condition while covered under this Plan, You or Your legal representative, while You are living, may request Living Benefits. The amount of the Living Benefit is shown in the Schedule, and will be payable provided You are living at the time payment is made. Living Benefits will be paid in one lump sum.

#### **Conditions**

- (a) To be eligible for Living Benefits, You must be eligible for Survivor Benefits.
- (b) The Plan Administrator may require Your beneficiary's, and in community property states, Your spouse's written consent before Living Benefits are paid.
- (c) Your Survivor Benefit will be reduced by the Living Benefit amount paid under this provision.
- (d) You may receive Living Benefits only once.

#### **Exceptions**

This Living Benefits provision will not apply:

- (a) when You have irrevocably assigned Your Survivor Benefit;
- (b) when all or a portion of Your Survivor Benefit is to be paid to Your former spouse as part of a divorce agreement;
- (c) to any intentionally self-inflicted injury or suicide attempt;
- (d) if Your coverage under the Plan ends;
- (e) to any supplemental life insurance benefits to which You may be entitled; or
- (f) if the Plan is terminated.

**NOTE:** Benefits paid under this provision may be taxable. If so, You or Your beneficiary may incur a tax obligation. As with all tax matters, You should consult Your personal tax advisor to assess the impact of this benefit.

## ACCIDENTAL DEATH AND DISMEMBERMENT BENEFITS

If You are Injured or die as a result of an Accident, the Company will pay the Benefit shown in the Table below for any of the following losses:

<u>Loss</u>	<u>Benefit</u>
Loss of Life .....	Principal Sum
Loss of Both Hands.....	Principal Sum
Loss of Both Feet .....	Principal Sum
Loss of Entire Sight of Both Eyes.....	Principal Sum
Loss of Entire Sight of One Eye .....	One-half Principal Sum
Loss of One Hand and One Foot.....	Principal Sum
Loss of One Hand and Entire Sight of One Eye .....	Principal Sum
Loss of One Foot and Entire Sight of One Eye.....	Principal Sum
Loss of Thumb and Index Finger of same Hand.....	One-fourth Principal Sum
Loss of Speech and Hearing (both ears) .....	Principal Sum
Loss of Speech or Hearing (both ears).....	One-half Principal Sum
Loss of One Hand or One Foot .....	One-half Principal Sum
Quadriplegia (total Paralysis of both upper and lower limbs) .....	Principal Sum
Triplegia (total Paralysis of three limbs).....	Three-quarters Principal Sum
Paraplegia (total Paralysis of both lower limbs) .....	One-half Principal Sum
Hemiplegia (total Paralysis of an upper and a lower limb).....	One-half Principal Sum
Uniplegia (total Paralysis of a limb) .....	One-fourth Principal Sum

The Principal Sum is shown on the Schedule.

If an Injury causes more than one loss shown in the Table above, the Company will pay only the largest Benefit. However, some benefits are paid in addition to the Principal Sum shown in the Table, as specifically provided in other provisions below.

### **Payment For Loss of Life**

#### **Beneficiary**

Benefits payable under this provision because of Your death will be paid to the beneficiary You name. If You do not name a beneficiary or if no beneficiary survives You, benefits will be paid:

- (a) to Your surviving spouse; if none, then
- (b) to Your surviving natural and/or adopted children; if none, then
- (c) to Your surviving parent(s); if none, then
- (d) to Your estate.

Benefits will be paid equally among surviving children or surviving parents.

## **Mode of Payment**

The Company will pay death benefits in a lump sum.

## **Beneficiary or Mode of Payment Change**

The beneficiary and mode of payment may be changed, subject to any restrictions or limitations in this Plan. To make a change, written request should be sent to the Plan Administrator. When approved and acknowledged by the Plan Administrator, the change will take effect as of the date the request is signed. However, the change will not apply to any payments or other action taken by the Company before the request was approved and acknowledged.

## **Payment For Other Than Loss of Life**

Benefits payable under this provision for any loss other than loss of life will be paid to You in a lump sum.

## **Exposure and Disappearance**

You will be presumed to have died, for the purposes of this coverage, if after the forced landing, stranding, sinking or wrecking of a vehicle:

- (a) You disappear;
- (b) Your body is not found; and
- (c) a valid death certificate is issued by a court of appropriate jurisdiction.

## **Coma Benefit**

### **Benefit**

If You are Injured, and as a result, You become Comatose within 31 days of the Injury and remain Comatose for 31 days, the Company will pay monthly benefits equal to 3% per month of the amount of the Principal Sum, up to a maximum benefit of \$5,000 per month. This benefit is paid in addition to the Principal Sum.

Benefits will be payable until the earliest of:

- (a) the end of the month in which You die;
- (b) the end of the eleventh month of a benefit payment for someone who is Comatose; or
- (c) the end of the month in which You are no longer Comatose.

## **Seat Belt Benefits**

### **Benefits**

If You are Injured in an Automobile Accident while You were wearing a Seat Belt, and that Injury results in Your death, the Company will pay 10% of the amount of the Principal Sum, up to \$50,000. The Plan Administrator must receive satisfactory written proof that Your death resulted from an Automobile Accident and that You were wearing a Seat Belt at the time of the Accident. A copy of the police accident report must be submitted with the claim. This benefit is paid in addition to the Principal Sum.

### **Exceptions**

The Company will not pay Seat Belt benefits if the Automobile Accident occurs when:

- (a) the Automobile is being used for racing, stunting, or exhibition work; or
- (b) You are breaking any traffic laws of the jurisdiction in which the Automobile is being operated.

### **Exclusions**

The Company will not pay for any loss which:

- (a) results, whether You are sane or insane, from:
  - (1) An intentionally self-inflicted Injury or Sickness; or
  - (2) Suicide or attempted suicide;
- (b) results from Your participation in a riot or in the commission of a felony;
- (c) results from an act of declared or undeclared war or armed aggression;
- (d) is incurred while You are on active duty or training in the Armed Forces, National Guard or Reserves of any state or country and for which any governmental body or its agencies are liable;
- (e) is not permanent, unless specifically provided;
- (f) occurs more than 365 days after the Injury;
- (g) does not result from an Accident;
- (h) is caused by intentional, self-infliction of carbon monoxide poisoning emanating from a motor vehicle;
- (i) results from Injuries You receive in any aircraft while operating, riding as a passenger, boarding or leaving. This exception does not apply while You are riding as a passenger in a commercial aircraft on a regularly scheduled flight or while Traveling on Business of

the Company;

- (j) results in Injuries You receive while riding in any aircraft engaged in:
  - (1) racing;
  - (2) endurance tests; or
  - (3) acrobatic or stunt flying;
- (k) is caused by You, and is a result of Injuries You receive, while under the influence of any Controlled Drug, unless administered on the advice of a Physician; or
- (l) is caused by You, and is a result of Injuries You receive, while Intoxicated.

## **PAYMENT OF CLAIMS**

### **How to File Claims**

Before benefits are paid, the Employee Benefits Department must be given a written proof of loss, as described below. In the event of Your death or incapacity, Your beneficiary or someone else may give the Employee Benefits Department the proof.

### **Proof of Loss Requirements**

1. First, request a claim form from the Employee Benefits Department at the address listed below. This request should be made:
  - (a) within 20 days after a loss occurs; or
  - (b) as soon as reasonably possible.

When the Employee Benefits Department receives the request, the Employee Benefits Department will send a claim form for filing proof of loss. If the Employee Benefits Department does not send it within 15 days, You can meet the proof of loss requirement by giving the Employee Benefits Department a written statement of what happened. The Employee Benefits Department must receive a written statement within the time shown in 3 below.

2. Next, complete and sign the claim form. If a Physician must complete part of the claim form, have the Physician complete and sign that part.
3. Finally, return the claim form to the Employee Benefits Department. The claim form is due:
  - (a) within 90 days after the loss occurs; or
  - (b) as soon as reasonably possible, but not later than one year after the loss occurs, unless the claimant is not legally capable.

### **When Claims are Paid**

Plan benefits will be paid as soon as the Claims Administrator determines You have submitted an acceptable proof of loss and that benefits are payable under the Plan.

### **Direct Payments**

Any loss of life benefit will be paid in accord with the Survivor Benefits, Living Benefits and/or Accidental Death and Dismemberment Benefits provision(s).

Any other benefits will be paid to You except that benefits unpaid at Your death may be paid, at the Plan Administrator's option to:

- (a) Your beneficiary; or
- (b) Your estate.

If Your beneficiary is unable to give a valid release or if benefits unpaid at Your death are not more than \$1,000, the Company may pay up to \$1,000 to any relative of Yours who the Company finds is entitled to the benefit.

All payments made by the Company under the Plan will fully discharge the Company to the extent of the payment.

**Examination and Autopsy**

The Plan Administrator or Claims Administrator may require that a claimant be examined by a Physician selected by the Plan Administrator or Claims Administrator. The Company will pay for these examinations. The Plan Administrator or Claims Administrator will not require more than a reasonable number of examinations. Where not prohibited by law, the Plan Administrator or Claims Administrator may also require an autopsy. The Company will pay for this autopsy.

**Address for Employee Benefits Department**

Employee Benefits Department  
HonorHealth  
Survivor and Accidental Death and Dismemberment Plan  
8125 N. Hayden Road  
Scottsdale, AZ 85258



**CLAIM REVIEW  
AND APPEAL PROCEDURES  
(As Federally Mandated)**

**Claim Review Procedures**

Once the Claims Administrator receives information necessary to evaluate the claim, the Claims Administrator will make a decision within the time periods set forth below. Please refer to the Payment of Claims provision of the Plan.

In the event an extension is necessary due to matters beyond the Claims Administrator's control, the Claims Administrator will notify the person submitting the claim of the extension and the circumstances requiring the extension. Extensions are limited as set forth below.

If an extension is necessary due to failure to submit complete information, the Claims Administrator will notify the person submitting the claim of the additional information required. Such notice of incomplete information will be sent within the time periods set forth below.

In order for the Claims Administrator to continue processing the claim, the missing information must be provided to the Claims Administrator within the time periods set forth below.

The Claims Administrator may contact the person submitting the claim at any time for additional details about the processing of the claim.

**Claim Review Decisions**

- (a) Initial review: The Claims Administrator will notify the person submitting the claim of the Claims Administrator's claim decision within 45 days after the Claims Administrator's receipt of the claim, unless additional information is requested as set forth below;
- (b) Extension period: 30 days; and
- (c) Maximum number of extensions: two.

If additional information is needed, the Claims Administrator will notify the person submitting the claim within 30 days of the Claims Administrator's receipt of the claim. Once the Claims Administrator's request for additional information is received, the person submitting the claim will have 45 days to submit the additional information to the Claims Administrator. The Claims Administrator will have a total of 105 days (which includes an additional 30-day extension, if necessary, due to circumstances beyond the Claims Administrator's control) to process the claim. If the Claims Administrator does not receive the additional information within the specified time period, the Claims Administrator will make a determination based on the available information.

**Claim Denials**

If a claim is denied or partially denied, the person submitting the claim will receive a written or electronic notice of the denial that will include:

- (a) the specific reason(s) for the denial;
- (b) reference to the specific Plan provisions on which the denial is based;
- (c) if applicable, a description of any additional material or information necessary to complete the claim and the reason the Claims Administrator needs the material or information;
- (d) a description of the appeal procedures; including the right to request an appeal within 180 days and the right to bring a civil action under Section 502(a) of ERISA following the appeal process; and
- (e) any other information which may be required under state or federal laws and regulations.

### **Opportunity To Request An Appeal**

The person submitting the claim may appeal the Claims Administrator's claim review decision in accordance with this Claim Review and Appeal Procedures provision. As part of the appeal, the Claims Administrator will perform a full and fair review of the decision.

The request for an appeal can be submitted to the Claims Administrator in writing and should include any additional information that the person submitting the claim believes should have been considered by the Claims Administrator.

The request for an appeal should include:

- (a) the name of the person for whom the claim has been submitted;
- (b) the name of the person filing the appeal; and
- (c) the nature of the appeal.

The Claims Administrator will establish and maintain procedures for hearing, researching, recording and resolving any appeal. The notification of the Claims Administrator's claim review decision will include instructions on how and where to submit an appeal.

The person submitting the claim will:

- (a) have 180 days from receipt of notification to submit a request for an appeal;
- (b) be provided the opportunity to submit written comments, documents, records and other information relating to the claim; and
- (c) be provided, upon request and free of charge, reasonable access to and copies of documents, records and other information relevant to the claim.

In reviewing the appeal, the Claims Administrator will consider all comments, documents, records and other information submitted without regard to whether such information was submitted or considered in the claim decision.

A request for an appeal authorizes the Company, or anyone designated by the Company, to review records relevant to the claim.

### **The Company's Response To An Appeal**

Once the Claims Administrator receives a request for an appeal, the Claims Administrator will respond within 45 days, unless additional information is requested. If additional information is requested, the following extensions apply:

- (a) extension period: 45 days; and
- (b) maximum number of extensions: one.

The Claims Administrator will have a total of 90 days to process the appeal.

If the appeal to the Claims Administrator is denied, the decision on appeal will set forth:

- (a) the specific reason(s) for the denial;
- (b) reference to the specific Plan provisions on which the denial is based;
- (c) a statement that the person submitting the claim is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the claim; and
- (d) a statement of the right to bring a civil action under Section 502(a) of ERISA.

### **Decision Final; Procedures Mandatory**

To the extent permitted by law, completion of the claims procedures shall be a mandatory precondition that must be complied with prior to commencement of a legal or equitable action in connection with the Plan by a person claiming rights under the Plan. The Claims Administrator may, in its sole discretion, waive these procedures as a mandatory precondition to such an action. Any legal or equitable action filed in connection with the Plan by a person claiming rights under the Plan must be commenced not later than the earlier of: (1) the shortest applicable statute of limitations provided by law; or (2) two (2) years from the date the written copy of the decision on review is delivered to the claimant.

## **PLAN ADMINISTRATION**

### **Plan Administration and Interpretation**

The administration of the Plan is under the supervision of the Plan Administrator. The principal duty of the Plan Administrator is to see that the Plan is carried out, in accordance with its terms, for the exclusive benefit of Employees entitled to participate in the Plan. The administrative duties of the Plan Administrator include, but are not limited to, interpreting the Plan, prescribing applicable procedures, determining eligibility for and the amount of benefits, authorizing benefit payments, and gathering information necessary for administering the Plan.

The Plan Administrator has the discretionary authority to interpret the Plan in order to make eligibility and benefit determinations as it may determine in its sole discretion. The Plan Administrator also has the discretionary authority to make factual determinations as to whether an individual is entitled to receive any benefits under the Plan.

### **Delegation by Plan Administrator**

The Plan Administrator may delegate any of the administrative powers identified above among one or more persons or entities, provided that such delegation is in writing, expressly identifies the delegate(s), and expressly describes the nature and scope of the delegated responsibility. The Plan Administrator hereby delegates day-to-day administration of the Plan to the Benefits Office.

### **Reliance on Participant, Tables, etc.**

The Plan Administrator may rely upon Your direction, information or election as being proper under the Plan and shall not be responsible for any act or failure to act because of a direction or lack of direction by You. The Plan Administrator will also be entitled, to the extent permitted by law, to rely conclusively on all tables, valuations, certificates, opinions and reports that are furnished by accountants, attorneys, or other experts employed or engaged by the Plan Administrator.

### **Provision for Third-Party Plan Service Providers**

The Plan Administrator, subject to approval of the Company, may employ the services of such persons as it may deem necessary or desirable in connection with the operation of the Plan. Unless otherwise provided in the service agreement, obligations under this Plan shall remain the obligation of the Company.

### **Fiduciary Liability**

To the extent permitted by law, the Plan Administrator shall not incur any liability for any acts or for failure to act except for their own willful misconduct or willful breach of this Plan.

### **Compensation of Plan Administrator**

Unless otherwise determined by the Company and permitted by law, any Plan Administrator who is also an employee of the Company shall serve without compensation for services rendered in

such capacity, but all reasonable expenses incurred in the performance of their duties shall be paid by the Company.

### **Bonding**

The Plan Administrator shall be bonded to the extent required by ERISA.

### **Inability to Locate Payee**

If the Plan Administrator is unable to make payment to You, Your beneficiary, any Participant, or other person to whom a payment is due under the Plan because it cannot ascertain the identity or whereabouts of You, Your beneficiary, or other such person after reasonable efforts have been made to identify or locate You, Your beneficiary, or other such person, then such payment and all subsequent payments otherwise due to You, Your beneficiary, or other such person shall be forfeited following a reasonable time after the date any such payment first became due.

### **Effect of Mistake**

In the event of a mistake as to Your eligibility or participation, or the amount of benefits paid or to be paid to You, Your beneficiary, or other person, the Plan Administrator shall, to the extent it deems administratively possible, cause to be allocated or cause to be withheld or accelerated, or otherwise make adjustment of, such amounts as it will in its judgment accord to You, Your beneficiary, or other person the distributions to which You (or they) are properly entitled under the Plan. Such action by the Plan Administrator may include withholding of any amounts due the Plan or the Company from compensation paid by the Company.

### **Electronic Administration**

The Plan Administrator shall have the authority to employ alternative means (including, but not limited to, electronic, internet, intranet, voice response, or telephonic) by which Participants may submit elections, directions, and forms required for participation in, and the administration of, this Plan. If the Plan Administrator chooses to use these alternative means, any elections, directions or forms submitted in accordance with the rules and procedures promulgated by the Plan Administrator will be deemed to satisfy any provision of this Plan calling for the submission of a written election, direction or form.

## **MISCELLANEOUS PROVISIONS**

### **Expenses**

All reasonable expenses incurred in administering the Plan are currently paid by the Company.

### **No Contract of Employment**

Nothing herein contained is intended to be or shall be construed as constituting a contract or other arrangement between You and the Company to the effect that You will be employed for any specific period of time. You are considered to be employed at the will of the Company.

### **Amendment and Termination**

This Plan has been established with the intent of being maintained for an indefinite period of time. Nonetheless, the Company may amend, modify, or terminate all or any part of this Plan at any time for any reason by resolution of HonorHealth's Board of Directors or by any person or persons authorized by the Board of Directors to take such action, and any such amendment, modification, or termination will automatically apply to the subsidiaries or affiliates that are participating in this Plan. Notwithstanding the foregoing, the Chief Executive Officer of the Company, in his or her sole discretion, individually, has the authority to amend, modify, and restate the Plan at such times and in such manner he or she deems appropriate. No amendment, modification, or termination requires the consent of any Participant or beneficiary, nor is the Company required to give notice of such event. No amendment, modification, or termination of the Plan shall adversely impact any claim for benefits under the Plan related to a Participant's death or Injury that occurs before the date of such amendment, modification, or termination of the Plan.

### **Governing Law**

This Plan shall be construed, administered and enforced according to the laws of the State of Arizona, to the extent not superseded by the Code, ERISA or any other federal law.

### **Code and ERISA Compliance**

It is intended that this Plan meet all applicable requirements of the Code and ERISA, and of all regulations issued hereunder. This Plan shall be construed, operated and administered accordingly, and in the event of any conflict between any part, clause or provision of this Plan and the Code and/or ERISA, the provisions of the Code and ERISA shall be deemed controlling, and any conflicting part, clause or provision of this Plan shall be deemed superseded to the extent of the conflict.

### **No Guarantee of Tax Consequences**

Neither the Plan Administrator nor the Company makes any commitment or guarantee that any amounts paid under this Plan will be excludable from the gross income for federal, state or local income tax purposes.

### **Non-Assign ability of Benefits**

Your right to receive any benefit under this Plan shall not be alienable by assignment or any other method and shall not be subject to claims by Your creditors by any process whatsoever. Any attempt to cause such right to be so subjected will not be recognized, except to such extent as may be required by law.

### **Headings**

The headings of the various sections (but not subsections) are inserted for convenience of reference and are not to be regarded as part of this Plan or as indicating or controlling the meaning or construction of any provision.

### **Severability**

Should any part of this Plan subsequently be invalidated by a court of competent jurisdiction, the remainder of the Plan shall be given effect to the maximum extent possible.

## **GENERAL INFORMATION ABOUT THE PLAN**

### **Plan Name**

Scottsdale Healthcare Hospitals dba HonorHealth.

### **Type of Plan**

Welfare Plan providing survivor benefits and accidental death and dismemberment benefits.

### **Plan Year**

Each 12-month period beginning on January 1 is a Plan Year for the purposes of accounting and all reports to the United States Department of Labor and other regulatory bodies.

### **Effective Date**

The original effective date of this Plan is January 1, 2011.

### **Funding Medium Contributions**

The Plan is self-funded by the Company. All benefits are paid directly out of the Company's general assets. Employees do not make any contributions to the Plan.

### **Plan Administration**

HonorHealth is responsible for administering the Plan.

### **Plan Sponsor**

HonorHealth  
8125 N. Hayden Road  
Scottsdale, AZ 85258  
Phone: (480) 323-4667

### **Plan Sponsor's Employer Identification Number**

86-0181654

### **Plan Number**

502



**Named Fiduciary**

HonorHealth  
8125 N. Hayden Road  
Scottsdale, AZ 85258  
Phone: (480) 323-4667

**Plan Administrator**

The Plan is provided through and administered by:

HonorHealth  
8125 N. Hayden Road  
Scottsdale, AZ 85258  
Phone: (480) 323-4667

**Agent for Service of Legal Process**

HonorHealth  
8125 N. Hayden Road  
Scottsdale, AZ 85258  
Phone: (480) 323-4667

Service of legal process may be served upon the Plan Administrator.

**Statement of ERISA Rights**

As a participant in the Plan, You are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Plan participants shall be entitled to:

- (a) Receive Information About Your Plan and Benefits
  - (1) Examine, without charge, at the Plan Administrator's office and at other specified locations, all documents governing the Plan, including insurance contracts and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.
  - (2) Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including insurance contracts and copies of the latest annual report (Form 5500 Series) and an updated summary plan description. The Plan Administrator may make a reasonable charge for the copies.
  - (3) Receive a summary of the Plan's annual financial report. The Plan Administrator is required by law to furnish each participant with a copy of this summary annual report.

(b) Prudent Actions by Plan Fiduciaries

In addition to creating rights for plan participants ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate Your Plan, called “fiduciaries” of the Plan, have a duty to do so prudently and in the interest of You and other Plan participants and beneficiaries. No one, including Your employer, or any other person, may fire You or otherwise discriminate against You in any way to prevent You from obtaining a benefit or exercising Your rights under ERISA.

(c) Enforce Your Rights

If Your claim for a benefit is denied or ignored, in whole or in part, You have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps You can take to enforce the above rights. For instance, if You request a copy of Plan documents or the latest annual report from the Plan and do not receive them within 30 days, You may file suit in a Federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay You up to \$110 a day until You receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator. If You have a claim for benefits which is denied or ignored, in whole or in part, You may file suit in a state or Federal court (but only if You have first filed Your claim under the Plan’s claims procedures and, if applicable, filed a timely appeal of any denial of Your claim). In addition, if You disagree with the Plan’s decision or lack thereof concerning the qualified status of a domestic relations order or medical child support order, You may file suit in Federal court. If it should happen that Plan fiduciaries misuse the Plan’s money, or if You are discriminated against for asserting Your rights, You may seek assistance from the U.S. Department of Labor, or You may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If You are successful the court may order the person You have sued to pay these costs and fees. If You lose, the court may order You to pay these costs and fees, for example, if it finds Your claim is frivolous.

(d) Assistance with Your Questions

If You have any questions about Your Plan, You should contact the Plan Administrator. If You have any questions about this statement or about Your rights under ERISA, or if You need assistance in obtaining documents from the Plan Administrator, You should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in Your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about Your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

**Circular 230 Disclaimer**

To ensure compliance with Treasury Regulations governing written tax advice, please be advised that any tax advice included in this communication, including any attachments, is not intended, and cannot be used, for the purpose of (i) avoiding any federal tax penalty or (ii) promoting, marketing, or recommending any transaction or matter to another person. The taxpayer should seek advice based on the taxpayer's particular circumstances from an independent tax advisor.