CPMG BENEFITS

Physicians, Podiatric Surgeons and Executives

2025 Benefits Highlights

Colorado Permanente Medical Group (CPMG) provides a flexible benefits program for benefit-eligible physicians that allows them to select the options and levels of coverage that best meet their unique needs.

Eligibility

Physicians who are scheduled to work at least 0.5 FTE with regular full-time or part-time benefit-eligible status are eligible to participate in the CPMG Benefits Program. Benefit elections take effect on the first day of the month following date of hire. The value of the benefits offered will vary depending upon the physician's plan elections, salary and FTE, as defined by the plan documents.

In addition to choosing coverage for themselves, physicians may choose to cover eligible dependents, such as a spouse or child(ren) through age 26. Eligible dependents under some plans may include a Domestic Partner or Civil Union Partner.

To be eligible for some of the benefits included in this document, a physician must first attain shareholder status. To attain shareholder status, a physician needs to complete at least three years of service for full-time regular physicians, and four years for part-time regular physicians. In addition, the requirements for shareholdership include board certification and demonstrated strong performance to date. Once approved by the Board of Directors, a physician will be issued one share. (No physician has greater than one share.) The share translates into voting privileges on bylaws and election of the Board of Directors.

Paying for Physician Benefits

CPMG contributes toward the cost of these core benefits*:

- 100% of the cost for HMO 420 or Deductible HSA Medical Plan coverage, for the physician and any eligible dependents.
  - If the physician elects the Deductible HSA, 50% of the difference in cost between the Deductible HSA and HMO 420 will be contributed to their HSA.
- 100% of the cost for Delta Dental's Comprehensive Plan, for the physician and any eligible dependents.
- 100% of the cost of Long-Term Disability coverage.
- 100% of the cost of the physician's Basic Life insurance election.
- 100% of the cost of Salary Continuance Plan coverage.

*CPMG covers a pro-rated portion of the cost for benefit-eligible physicians whose Full-Time Equivalent (FTE) status is less than a 1.0, except for Preventive Dental, LTD and Life Plan coverages, which are fully paid by CPMG. For example, if a physician is a 0.95 FTE status and elects HMO 420 Medical Plan and Comprehensive Dental Plan, CPMG will pay 90% of the monthly premium and the physician will pay the remaining 10%.

Any benefit premiums the physician owes after making elections, are paid through convenient payroll deductions. Depending on the plan, the deductions are pre-tax or after-tax.

Medical Plans

CPMG provides comprehensive medical insurance for physicians, spouses/partners and eligible dependents. CPMG offers four health plans: **HMO 420, HMO 415, Deductible HSA** — all using the Kaiser Permanente (KP) network, and **Choice PPO** (providing access to care outside of the PPO network). If choosing not to select a Medical option, proof of other group plan coverage must be furnished.

The HMO 415 and HMO 420 options provide limited Out-of-Area Benefits, if care is required for eligible dependents residing away from home.

	Kaiser Prevention Plans		***Deductible HSA*** *Family amounts are for all or one family member*
Annual Amounts	***HMO 420***	***HMO 415***	
Deductible	N/A		$3,000/ind. $6,000/fam.
Out-of-Pocket Maximum	$2,000/ind. $4,500/family		$3,000/ind. $6,000/fam.
Choice PPO (In-Network Amounts)			
Deductible			$750/ind. $1,500/fam.
Coinsurance			20%
Out-of-Pocket Maximum			$3,500/ind. $7,000/fam.

When selecting Medical coverage under HMO 420 or HMO 415, the physician is automatically enrolled for coverage under the Supplemental Medical plan. The plan pays 80% of covered charges not provided under the basic HMO plan, with a deductible of $100 per person/$200 per family. Coverage includes: acupuncture, chiropractic care, dental care due to an accident, medical equipment, infertility treatments, mental health, podiatry, skilled nursing facility care, and custodial care. A full list of covered charges is available in the plan's official documents.

If electing medical coverage under the Deductible HSA Plan (a qualified high deductible health plan), the physician can contribute to an interest-bearing HSA, on a tax-free basis. With a low monthly fee for accounts less than $2,500, eligible physicians can invest the money in their HSAs in various options provided by Optum Bank. HSA dollars can be used to pay for qualified medical expenses, including long-term care insurance, COBRA, or health plan coverage (if unemployed).

Dental Plans

CPMG provides physicians, their spouse or partner and dependents dental coverage. Physicians decide the amount of coverage needed from three dental options or they can waive coverage. All three options are offered through Delta Dental of Colorado: *Preventive* covers routine visits up to $750/year per person maximum benefit; *Comprehensive* pays up to 70% of services up to $1200/year per person maximum benefit; *Comprehensive Plus* pays 80% of services up to $1,500/year per person maximum benefit.

Flexible Spending Accounts (FSAs)

FSAs can be used to pay for eligible health and dependent day care expenses with tax-free dollars. Each year, the participant decides the amount to contribute. Participants will receive an easy-to-use debit card from HealthEquity to access their accounts.

- For 2025, physicians can contribute up to $3,200 for the year in their Health Care FSAs. (If enrolled in the Deductible HSA, they are not eligible for Health Care FSA participation.)
- Physicians can contribute up to $5,000 for the year into the Dependent Care FSA.

Life and AD&D Insurance

CPMG covers the cost for Basic Life Insurance. Physicians can buy Supplemental Life and Accidental Death & Dismemberment (AD&D) insurance, for themselves and their families, at group rates, through CPMG's insurer, The Hartford. The cost of life insurance may be based on the physician's age, salary and the benefit amount selected. The cost of Supplemental, Spouse or Child Life and AD&D coverages depends on the coverage amounts selected.

Employee Life

Benefit Amount Options	$50,000
	4 times annual base salary, up to $1,000,000

The IRS considers the amount CPMG pays for coverage over $50,000 as imputed income.

Supplemental Employee Life

Benefit Amount Options	1 times total annual base salary
	2 times total annual base salary
	3 times total annual base salary
	4 times total annual base salary
	5 times total annual base salary
	Waive Coverage

Physicians may purchase Supplemental Life insurance, up to a combined total of $2,000,000 of Basic and Supplemental Life. The maximum guarantee issue for initial election is $250,000. Any request over this amount will be subject to Evidence of Insurability.

Dependent Life

Spouse/DP/CU Dependent Life Options	Child(ren) Dependent Life Options
Increments of $10,000 up to $500,000	Increments of $2,000 up to $20,000 per child
Waive Coverage	Waive Coverage

Spouse life cannot exceed 100% of the employee's amount.

Supplemental Employee AD&D

Benefit Amount Options	1 times total annual base salary
	2 times total annual base salary
	3 times total annual base salary
	4 times total annual base salary
	5 times total annual base salary
	Waive Coverage

The benefit will be amount rounded up to the nearest thousand, based on current annual base salary.

Dependent AD&D

Spouse AD&D Options	Child(ren) AD&D Options
Increments of $10,000 up to $500,000	Increments of $2,000 up to $20,000 per child
Waive Coverage	Waive Coverage

Salary Continuance Plan

Coverage under the Salary Continuance Plan (SCP) is automatic, once eligibility requirements are met. The SCP provides income protection in case of a short-term illness or injury. After a seven-day waiting period or exhaustion of sick leave according to policy, whichever is longer, benefits are payable through the sixth month of disability. While using sick leave, physicians have 100% income replacement. Once sick leave is used up, benefit amounts vary based on CPMG employment category and status. If remaining eligible for plan benefits, shareholders will receive 75% income replacement for up to six months; non-shareholders will receive 50% income replacement for up to six months. Salary continuance benefits are treated as taxable income.

Colorado Family & Medical Leave Insurance (FAMLI)

Colorado voters approved Proposition 118 November 2020 which provides most eligible employees up to 12 weeks of leave. Pregnancy or childbirth complications may receive an additional four weeks. For more information, visit https://famli.colorado.gov/.

Long-Term Disability Insurance

Physicians are automatically covered under the Long-Term Disability Plan (LTD) once eligibility requirements are met. CPMG's provider for LTD coverage is The Hartford. LTD enables physicians to receive part of their pay while recovering from a long-term illness or injury. If approved, the physician must be disabled for at least 180 days before receiving a long-term disability benefit payment.

LTD replaces 60% of current annual base salary. The monthly maximum benefit is $15,000/ month.

LTD Insurance is provided by CPMG on a pre-tax basis. During initial or open enrollment, physicians can elect to have the cost of LTD coverage imputed as income, which allows for LTD benefits to be paid tax free.

Time Off Benefits

Paid Vacation

Full-Time Regular physicians at 1.0 FTE receive 120 hours of paid vacation per full year of service for the first five years of service at CPMG, prorated for the first year of employment. 160 hours per calendar year are provided in years six through fifteen. 200 hours per calendar year are provided thereafter. Annual unused vacation may not be carried over to the next year and is prorated per FTE.

Holidays

Eight paid holidays are provided per year. Observed holidays are New Year's Day, Martin Luther King Jr. Day, Memorial Day, 4th of July, Labor Day, Thanksgiving Day, and Christmas Day. In addition, physicians starting work before July 1st, will be eligible for one floating holiday. The floating holiday must be taken by December 31st and may not be carried over into the next calendar year.

Sick Leave

Full-Time Regular physicians at 1.0 FTE accumulate paid sick leave to be used during the year. Non-shareholders accumulate 208 hours per full year of service up to a maximum of 608 hours. Shareholders can accumulate 208 hours per full year of service up to a maximum of 960 hours. Up to 80 hours per year, prorated for FTE, are provided, on a paid basis, to care for a sick child, spouse or parent and leave.

Educational Leave

Full-Time Regular physicians at 1.0 FTE receive 40 hours of paid Educational Leave. Annual unused education hours may be carried over to the next year and leave is prorated per FTE.

Retirement Plans

Defined Benefit Retirement Plan (Cash Balance)

Physicians are vested in the Cash Balance plan after three years with 1,000 worked each year. Prior Permanente Medical Group or Kaiser Permanente service counts towards vesting and eligibility. Vested accounts are portable upon termination. There are no age or service restrictions for retirement distributions. There is a one-year waiting period for participation in the plan, with participation start dates only in January or July. CPMG contributes annually to the Cash Balance plan account an amount equal to 10% of base salary (up to the IRS limit), with a 4% guaranteed interest credit on previous years balance paid at the end of each year.

401(k) Defined Contribution Plan

Physicians are eligible to participate in the CPMG 401(k) plan upon hire. Participants can contribute up to the annual IRS limit, and can allocate funds in a variety of investments. Pre-tax, Roth after-tax contributions and traditional after-tax contributions can be made, up to IRS limits. Accounts can be managed online and are portable upon termination.

401(k) Employer Contribution

CPMG provides eligible physicians with a bi-weekly 401(k) match, up to the annual limit, set by the CPMG Board. Physicians are eligible after 2 years of employment and the match is contributed as an employer 401(k) contribution. If an eligible physician chooses not to contribute to their 401(k), no match is provided.

Other Benefits

Educational Allowance

Physicians are eligible for an Educational Allowance of $2,700 per year for non-shareholders and $3,200 per year for shareholders. Physicians may be reimbursed for reasonable educational expenses such as tuition, books, exam costs and conference fees. The benefit is provided on a calendar year basis and is prorated upon hire for the first year. Annual unused education allowance funds may be carried over to the next year and the allowance is prorated per FTE.

Relocation/Transition Assistance

To assist with the cost of relocation or transition to a new position at CPMG, during the 60-day period before or after a physician's date of hire, an amount of up to one month's salary is available as an interest-free loan, with repayment due over the course of one year. Combined CPMG loan amounts over $10,000 are treated as imputed income.

Malpractice Insurance

Occurrence-based, full Malpractice/ Professional Liability Insurance coverage is provided at no cost to regular full-time or part-time physicians.

Prior Malpractice Tail Assistance

Within 60 days before or after start date, Prior Malpractice Tail Assistance is available, with repayment over three years in equal installments. The assistance is provided as an interest-free loan for the amount of the tail, with a promissory note required and the amount of the loan paid directly to the insurance company. Combined CPMG loan amounts over $10,000 are treated as imputed income.

This material is intended to be a general summary of CPMG Benefits. If there is a conflict between this information and the plan documents, summary plan descriptions or contracts that govern the plan, or if additional information is contained in those contracts regarding services, exclusions, limitations or other provisions, the official plan document and/or contracts will be regarded as the plan's final authority. Legal regulations relating to the plan will supersede contracts or other information in this material. Additionally, Colorado Permanente Medical Group reserves the right to amend, replace or terminate its benefits program or any individual benefit plan described in this material at any time. Version as of January 2025..