

# **COOPER**

*Health Care Benefits*

## **Benefits Enrollment Guide 2010**



Be { Fit  
Engaged  
Cooper

---

# Welcome...

to the 2010 Cooper Health & Well-Being Program. Cooper is pleased to offer this comprehensive benefit program to you and your family.

## **Employees Hired on or after 12/1/2008**

**Employees hired on or after 12/1/2008 and who are eligible for Medical/Prescription Drug Coverage effective on or after 1/1/2009 are eligible for the Consumer Choice option only. Please note that as you go through the open enrollment process, your only choices under the Medical/Prescription Drug coverage will be Employee Only, Employee + One or Employee + Family.**



# Table of Contents

---

## Getting Started

Active Enrollment _____	2
"Flexible Benefits" _____	2

## Eligibility

Employee Eligibility _____	3
Your Dependents _____	3
When Your Eligibility Terminates _____	4
Changing Your Coverage _____	4
About the Program _____	4

## Coordination of Benefits

Married Employees Both Working at Cooper _____	5
Birth Date Rule _____	5
Divorced/Separated Parents _____	6
Primary/Secondary Plans _____	6
Non-Duplication of Benefits _____	6

## How to Enroll

Steps for Enrolling _____	7
Personalized Enrollment Worksheet _____	8
Things to Consider _____	9

## Managing the Cost of Your Benefits

Your Benefit Options _____	10
Medical/Prescription Drug Plans _____	11-16
Dental Plan _____	17-18
Vision Plan _____	19-20
Long Term Disability (LTD) _____	21-22
Employee Life/Accidental Death & Dismemberment (AD&D) _____	23-24
Spouse and Child Dependent Life/AD&D _____	25
Spending Account Updates _____	26
Health Care Spending Account (HCSA) _____	27
Dependent Care Spending Account (DCSA) _____	28

## Worksheets & Examples

Health Savings Account (HSA) _____	29
Health Care Spending Account (HCSA) _____	30-31
Dependent Care Spending Account (DCSA) _____	32-33

## What Happens Next

After You Enroll _____	34
------------------------	----

# Getting Started

This Enrollment Guide provides information about the plans within Cooper's 2010 Health & Well-Being Program, as well as instructions on how to enroll. Cooper has implemented Blue Cross Blue Shield (Anthem), a national network provider.



## Active Enrollment

**All Spectrum-eligible employees must actively enroll for 2010 Health & Well-Being benefits.** You must actively enroll for all medical and insurance coverages, including dental and vision. If you enrolled for dental and/or vision coverage during last year's enrollment, your coverage will automatically continue for the remainder of your two-year term. **Remember, if you do not enroll, you will not receive benefit coverage, other than \$10,000 Employee Life/AD&D coverage, if eligible.**

## Flexible Benefits

Flexible benefits is an approach to delivering Health & Well-Being benefits that allows you to choose coverage that fits your needs.

Each coverage option has an associated price tag. Cooper provides you with a flex allowance to help offset the costs of coverage.

This type of program gives you control over how much you pay for coverage – based on the choices you make – and is driven by your needs and those of your family.

You pay for your health care coverage and life insurance with pre-tax dollars. The Long Term Disability Plan, Spouse Dependent Life/AD&D, and Child Dependent Life/AD&D are paid for with after-tax dollars.

To estimate the effect on your pay, simply add up the price tags and compare this total to your flex allowance. A worksheet will be provided to you soon to help you determine the exact cost.

To enroll in the Health & Well-Being Program, access the Web anytime between October 5 - October 25 at **<https://hrms.sequent.biz>** or call the Benefits Call Center toll-free at **1-888-474-1148** weekdays between 11 a.m. and 7 p.m. EST.

**IMPORTANT  
NOTE TO NEW  
COOPER PEOPLE:**

**You must enroll to receive benefits for 2010. To cover your currently eligible dependents, you must also enter all dependent information for 2010.**

**Before the Open Enrollment session, be sure to read “Your Dependents” section to determine if they are eligible for coverage under Cooper’s Health & Well-Being program.**

# Eligibility

## Employee Eligibility

All U.S.-based and expatriate non-union salaried and process full-time Cooper people are eligible to participate in Cooper’s Health & Well-Being Program.

## Your Dependents

Eligible dependents include the following:

- Your legally acknowledged spouse
- Children who are wholly dependent upon you for support and maintenance in accordance with the tax code, including:
  - Your unmarried children under 19 years old
  - Your unmarried children to age 25 who are full-time students in an accredited school. Full-time students are eligible for benefits until midnight on the day of their 25th birthday
  - Stepchildren, legally adopted children and children over whom you have legal guardianship, as long as they reside with you in a normal parent/child relationship (eligibility is subject to the appropriate legal documentation)
  - A child for whom you are required to provide health care coverage under a Qualified Medical Support Order
  - A child who is physically or mentally incapable of self support and is 19 years or older. Coverage is subject to a physician’s written certification, as well as your own coverage remaining in effect

Coverage for your children added to the plan due to birth or adoption will begin as of the date of birth or adoption.

Coverage for a spouse or dependent children) added or deleted due to a qualifying status change will be effective as of the date of the qualifying event, provided that you notify Cooper within 31 days of the qualifying event. If you do not notify Cooper within 31 days of the qualifying event, you must wait until the next open enrollment period to add or delete these dependents.

## When Your Eligibility Terminates

Your eligibility for coverage ends for you and your dependents 15 days after you are no longer a full-time salaried or non-bargained Cooper employee. Your eligibility for coverage will also end in the event that the Cooper Medical/Prescription Drug Plan, Dental Plan and Vision Plan is terminated by Cooper. As long as you maintain eligibility, coverage for your dependent children may continue until the day he or she turns age 19. If the dependent child is a full-time student, coverage may continue until the earlier of three months following the end of full-time student status or the day he or she turns age 25. You will be required to submit proof of full-time student status.

## Changing Your Coverage

The benefits you choose are in effect for the entire year, unless you experience a qualified status change. If you want to change coverage in the event of a qualified status change, you must change your benefit choices within 31 days of the event. Changes to your coverage must be consistent with the particular change in status you experience.

You experience a qualified status change if:

- You gain or lose a dependent (for example through birth, adoption, marriage, divorce, death);
- Your spouse or dependent is no longer eligible, or is newly eligible, for coverage under Cooper's benefits program;
- Your spouse's or dependent's eligibility for benefits through his or her employer changes;
- Your employment status changes from benefits eligible to ineligible, or vice versa.
- You or your dependent becomes entitled to Medicare or Medicaid.

Evidence of Insurability (EOI) may be required for changes in Life Insurance or LTD coverage.

## About The Program

This Enrollment Guide provides a summary of the Cooper Health & Well-Being Program. Program provisions described here are governed by the benefit contracts and plans. In the event of a conflict between the Enrollment Guide and the respective benefit contracts and plans, the respective benefits contracts and plans shall govern. Nothing in this or any other benefits document or oral representation should be construed as an employment contract or a guarantee of benefits. Cooper reserves the right to terminate or change the program or any of the plans at any time and has sole discretion to make the final decision in all areas of interpretation and provisions of the program or any of the plans, including the terms of eligibility for any benefits provided.



### Status Changes:

If you experience a qualified status change you cannot change the current option, only the level of coverage (i.e.: move from Employee Only to Employee + one). Employee Life, and LTD are in effect for the entire year and cannot change due to a qualified status change.

To enroll in the Health & Well-Being Program, access the Web anytime between October 5 - October 25 at <https://hrms.sequent.biz> or call the Benefits Call Center toll-free at **1-888-474-1148** weekdays between 11 a.m. and 7 p.m. EST.



# Coordination of Benefits

## Married Employees Both Working at Cooper

To ensure consistency in how our plans are administered, you cannot be covered as both an employee and a dependent under the Health & Well-Being Program. If you are married to another Cooper person who is eligible for this program, the following guidelines have been established to be as fair as possible.

For the Medical/Prescription Drug Plan, if you have no additional dependents (i.e., children), you and your spouse must each enroll in employee only coverage. If you and your spouse have dependent children, the employee with the earlier calendar year birth date is responsible for covering your entire family (i.e., you must select the employee + two or more coverage level), and your spouse must select No Coverage.

For the Life/AD&D plans, you cannot be covered as both an employee and a dependent; therefore, neither of you may cover your spouse and only one of you may select coverage for your children.

These guidelines ensure that all Cooper people are treated the same and that a family unit does not have to incur additional expenses (e.g., higher deductibles and copays) simply because both adults are employed at Cooper.

## Birth Date Rule

When more than one plan covers the same child as a dependent of natural parents who are not divorced or separated, the primary plan is the plan of the parent whose birth date (month and day) falls earlier in the year. The secondary plan is the plan of the parent whose birth date falls (month and day) later in the year. If both parents have the same birth date, the plan that has covered the parent longer is the primary plan. The plan that has covered the parent the shorter time will be the secondary plan.

## Divorced/Separated Parents

If the specific terms of a court decree state that one parent is responsible for the health care expenses of the child, the plan of that parent is the primary plan. Otherwise, if more than one plan covers a person as a dependent child of divorced or separated parents, benefits for that child are determined in the following order:



**1** the plan of the parent with custody of the child

**2** the plan of the step-parent with custody

**3** the plan of the parent without custody of the child

## Primary/Secondary Plans

The medical/prescription plan that covers a person as an employee – rather than as a dependent – is always considered to be the primary plan. The plan that covers the person as a dependent is the secondary plan. When a Cooper person's spouse is also employed full-time, and the spouse's employer makes any contribution to the cost of the medical/prescription plan, the spouse must enroll in his or her medical plan. Cooper's medical plan will be secondary to the spouse's medical plan with respect to coverage for the spouse.

## Non-Duplication of Benefits

If another plan is primary, the Cooper plan will pay secondary benefits only up to an amount which, when added to the primary plan payment, equals the amount Cooper would have paid as the sole plan.

To enroll in the Health & Well-Being Program, access the Web anytime between October 5 - October 25 at <https://hrms.sequent.biz> or call the Benefits Call Center toll-free at **1-888-474-1148** weekdays between 11 a.m. and 7 p.m. EST.



# How to Enroll

## Steps for Enrolling

To enroll, follow these step-by-step instructions:

- Thoroughly read your Enrollment Guide to understand your options and plan provisions.
- Take into account other sources of coverage when making your benefit choices.
- Gather the Social Security numbers and dates of birth you'll need (those of your dependents if you are enrolling them for the first time).
- Calculate previous years' *dependent* care expenses and anticipated expenses for 2010.
- Calculate previous years' *health* care expenses and anticipated expenses for 2010.
- Use your Personalized Enrollment Worksheet (PEW) to determine your benefit choices and calculate costs.
- Make your enrollment choices.
  - **Phone enrollment:** call the Spectrum Benefits Call Center at 1-888-474-1148 between 11 a.m. and 7 p.m. (EST)
  - **Web enrollment:** log on to <https://hrms.sequent.biz>
- Review your Confirmation Statement when you receive it.

# Personalized Enrollment Worksheet

A Personalized Enrollment Worksheet (PEW) will be provided in a few weeks to help you organize your 2010 coverage choices. This worksheet is for your use only, to fill out and use as a reference during the enrollment process.

Your Personalized Enrollment Worksheet (PEW) includes the following sections:

- 1 Personal information**  
Review this information to ensure accuracy. Call your local Human Resources representative if this information is incorrect.
- 2 Dependent information**  
Complete this section before enrolling for easy reference.
- 3 Flex allowance**  
This allowance is provided by Cooper to help offset the cost of your coverage. The amount of your allowance for some plans may vary based on the level of coverage you choose.
- 4 Benefit plan options and associated per-pay-period price tags**  
This information helps you plan your choices and costs. These sections list your plan options and coverage levels/amounts, along with the associated price tags.
- 5 Effect on pay worksheet**  
This table is provided to help you determine pre-tax and after-tax price tags and the net effect on your pay.

## IMPORTANT NOTE:

Your Personalized Enrollment Worksheet (PEW) is for your use only.

**DO NOT RETURN OR MAIL THIS FORM.**

To enroll in the Health & Well-Being Program, access the Web anytime between October 5 - October 25 at <https://hrms.sequent.biz> or call the Benefits Call Center toll-free at **1-888-474-1148** weekdays between 11 a.m. and 7 p.m. EST.

## TO ENROLL...

**By phone:** Call the Benefits Call Center toll-free at 1-888-474-1148 between 11 a.m. and 7 p.m. (EST)

**By Web:** Log on anytime to <https://hrms.sequent.biz>

**Remember:** you may be able to get free public access to the Internet Web site at your local library.

## Things to Consider

When making your benefit plan choices, ask yourself:

**1**

Which plan coverage option will best meet my needs and those of my family?

**2**

What were my previous years' health needs? Do I expect these needs to change in 2010?

**3**

Do I expect special health needs for 2010 that will be better met with higher levels of coverage?

**4**

How often do I and my family members visit a doctor? A dentist? Other health care providers?

**5**

Is this my only option for medical coverage, or can I receive medical coverage from another source?

### **Note:**

Employees hired on or after 12/1/2008 and who are eligible for Medical/Prescription Drug Coverage effective on or after 1/1/2009 are eligible for the Consumer Choice option only.

# Managing the Cost of Your Benefits

## Your Benefit Options

Cooper understands that managing the cost of benefits can be challenging.

Your benefits flex allowance allows you to select the plans that best meet your needs and those of your family without paying for coverage you don't want or need.

The Health Savings Account (HSA) and Health Care Spending Account (HCSA) can also help you manage rising benefit costs. In addition, you may find it beneficial to take advantage of the Dependent Health Care Spending Account (DCHA) to be prepared for the cost of dependent care.



The Health & Well-Being Program described in this guide includes the following plans:

- Medical/Prescription Drug
- Health Savings Account (HSA)  
Note: Only available with the Consumer Choice option.
- Dental
- Vision
- Employee Life/Accidental Death & Dismemberment (AD&D)
- Long Term Disability (LTD)
- Spouse Dependent Life/AD&D
- Child Dependent Life/AD&D
- Health Care Spending Account (HCSA)  
Note: Only available with the Traditional PPO option.
- Dependent Care Spending Account (DCSA)

## IMPORTANT MESSAGE

If you choose the Consumer Choice option, you will need to establish your Health Savings Account (HSA) with The Principal Financial Group in order to receive the Company contribution (\$250 for Employee only coverage or \$750 for Family coverage) and to deposit your payroll deductions. The Company cannot establish it for you. The effective date of the account will be 01/01/2010. You will need to have your driver's license available when establishing your account, along with information on your beneficiaries.

If you established a HSA account with Principal Financial Group in 2009, and it is still an active account, you will not need to go through this process again.

The web address for the application is:

<https://secure02.principal.com/bank/apps/naohsa/index.do?sponsor=HSA0001292>

To enroll in the Health & Well-Being Program, access the Web anytime between October 5 - October 25 at **<https://hrms.sequent.biz>** or call the Benefits Call Center toll-free at **1-888-474-1148** weekdays between 11 a.m. and 7 p.m. EST.

## Catch up Feature

Similar to the 401(k) catch-up offered to employees aged 55-plus, the HSA provides these employees with an opportunity to make additional contributions to save for medical costs during retirement.

If you are 55 years or older as of January 2010 or if you will turn 55 during the year, you can contribute an additional \$1,000 to your HSA account.

## Coordinated Coverage

Employees cannot enroll in Cooper's HSA if they are receiving coordinated coverage under their spouses' health care plan (at a different company) unless that plan is also HSA qualified. If you are receiving coverage under your spouse's health care plan, contact your spouse's company to determine if that plan is HSA qualified.

## Medical/Prescription Drug Plans

Your PEW will list the medical plan choices available to you.

### Consumer Choice

The Consumer Choice option is designed for individuals who infrequently see doctors but who want health care protection in the event of a major illness or injury and/or who want to participate in the Health Savings Account (HSA).

The Consumer Choice option is the least expensive of the options and you have the choice of In or Out-of-Network benefits. However, the deductibles are higher and there are higher out-of-pocket maximums. In addition, there are no co-pays for your prescription drug costs - those are applied to your deductible and are covered at 80 percent after you've met your deductibles. Please see chart on page 15 for details

**If you choose the consumer Choice option you must participate in a Health Savings Account (HSA). You will not be eligible for the Health Care Spending Account (HCSA)**

### Health Savings Account (HSA)

A Health Savings Account (HSA) allows active employees to pay for their current medical expenses and save for future medical expenses, including those incurred during retirement.

You may use your HSA account to pay for your **medical expenses** or pay for **dental** and **vision expenses** or when purchasing **prescription drugs** and certain over-the-counter drugs.

### How HSAs work

Once you have selected the Consumer Choice option, select the amount you want to contribute to the Health Savings Account. You must contribute a minimum annual goal amount of \$260.00.

For 2010, **Cooper will contribute \$250 for employee only and \$750 for employee plus one or more into your HSA account. Minimum annual employee contribution is \$260. Maximum contributions allowed are:**

Cooper contribution	<i>plus</i>	Employee contribution	<i>equals</i>	HSA annual maximum
\$250	-	\$2,800	=	\$3,050
		<i>or</i>		
\$750	-	\$5,400	=	\$6,150

When enrolling, you will be asked to certify that you are eligible to participate in an HSA. One question that will be asked is whether or not the Consumer Choice plan is a qualified high deductible health plan (HDHP). The answer is "yes". Our plan meets the federal requirements of an HDHP.

---

Although you may use your HSA account to pay for your **medical expenses** at the time of service, it is advisable to wait until you've received your Explanation of Benefits from Health Design Plus to confirm your cost. You can also use your HSA account to pay for **dental** and **vision** expenses or when purchasing **prescription drugs** and certain over-the-counter drugs. Just like a regular checking account, you may only write checks up to the amount of the current balance in the account. Any funds you do not use will be **carried over** from year to year and can be used up through retirement. Each year you will have the option to continue with the Health Savings option and continue to contribute to the account. Even if you stop contributing to the account, you can continue to use the HSA to pay for eligible expenses until the account is depleted.

A **service fee** of \$3.00 plus tax per month will be imposed by Principal Bank on the account. If you maintain a balance of \$3,000, the monthly maintenance fee will be waived.

Your Principle HSA checking account is designed to help you accumulate funds on a tax favored basis and easily make withdrawals to pay your deductible or other qualified medical expenses.

As an increased benefit to Cooper Tire employees with the Principle HSA, Principal is increasing the number of free withdrawals per monthly statement cycle from six free withdrawals per monthly statement cycle to twelve free withdrawals per monthly statement cycle. Withdrawals over twelve per monthly statement cycle will be assessed a \$10.00 per item excess transaction fee.

Once you have elected to enroll in the Consumer Choice Plan, you will be required to set up your Health Savings Account with Principal Bank online at the following address, if you do not have an active 2009 account.

<https://secure02.principal.com/bank/apps/naohsa/index.do?sponsor=HSA0001292>

For those of you who are using the HSA for retirement savings, you may move it into a mutual fund or CD platform for a better return and no monthly fee. Minimum investment is \$1000. For checking account and CD interest rates, please refer to the following address at the Principal Financial Group:

<https://secure02.principal.com/bank/apps/rates/index.do>

**The deadline for setting up your HSA with Principal is November 20, 2009. If you do not set up your account by this date, you will not be eligible to receive the Cooper contribution.**

To enroll in the Health & Well-Being Program, access the Web anytime between October 5 - October 25 at **<https://hrms.sequent.biz>** or call the Benefits Call Center toll-free at **1-888-474-1148** weekdays between 11 a.m. and 7 p.m. EST.

When choosing your Medical/Prescription Drug Plan option, ask yourself:

- What medical expenses did I have in previous years? How many of these expenses will I have again this year?
- How often am I – and/or my dependents – likely to visit a doctor?
- Do I have special health needs that will be better met with a certain level of coverage?
- Is this my only option for medical coverage, or can I receive medical coverage through another source?
- How much of my medical expenses, not covered by the Medical/Prescription Drug Plan, can be reimbursed through my Health Care Spending Account or Health Savings Account?

## Preferred Provider Organization (PPO)

Both the Consumer Choice and Traditional PPO options offer the same services and procedures but differ in how you share costs. With both of the PPO options, you have a choice every time you seek care. The Consumer Choice offers higher deductibles, higher out-of-pocket costs and higher copays than the Traditional PPO, but you will pay less for your coverage.

- **In-network providers** participate in an established network, providing services to participants at negotiated, discounted rates. When you receive services from this pre-selected group of providers, you pay less out of your pocket.
- **Out-of-network providers** do not participate in an established network. When you obtain services from out-of-network providers, charges and coinsurance will likely be higher. You pay more out of your pocket, but you have more providers from which to choose.

## Flex Allowances

The flex allowance is the amount Cooper contributes to the cost of your Health & Well-Being benefits. The amounts shown on the chart on page 14 for Medical/Prescription Drug flex allowance **are the same for every Cooper person** eligible for the plan, as is the flex allowance for the Dental plan (see page 18).

Medical/Prescription Drug flex allowance notes:

- The Medical/Prescription Drug allowance amount varies based on the number of dependents you cover.
- Cooper will again contribute an additional \$200 flex allowance which is a fixed amount that may be applied to the cost of **any** plan.

If you do not use your *total* flex allowance, you will receive the amount not used as taxable income in your paycheck during the course of the year. If your benefit choices cost more than the *total* flex allowance, the difference will be deducted from your paycheck in equal installments throughout the year.

## Medical/Prescription Drug Price Tags

Medical/Prescription Drug		2010 Annual Price Tags	Annual Flex Allowance	2010 Annual Employee Cost	Total Effect Per Pay	
					weekly	bi-weekly
<b>Consumer Choice</b>	Employee Only	\$ 4,329	\$ 3,119	\$ 1,210	\$ 23.27	\$ 46.54
	Employee + one	\$ 7,748	\$ 6,238	\$ 1,510	\$ 29.04	\$ 58.08
	Employee + family	\$ 11,168	\$ 9,358	\$ 1,810	\$ 34.81	\$ 69.62
<b>Traditional PPO</b>	Employee Only	\$ 4,956	\$ 3,119	\$ 1,837	\$ 35.33	\$ 70.65
	Employee + one	\$ 9,020	\$ 6,238	\$ 2,782	\$ 53.50	\$ 107.00
	Employee + family	\$ 13,103	\$ 9,358	\$ 3,745	\$ 72.02	\$ 144.04

Traditional PPO is not available to employees hired on or after 12/1/2008

### Tobacco Cessation Credit ( Will reduce the price tags above)

As part of our emphasis on health and well-being, Cooper is encouraging employees who use tobacco to “kick the habit” by offering free tobacco cessation programs. In 2010, you will have the opportunity to reduce your cost of healthcare by \$660 if:

- You do not currently use tobacco, or
- You currently use tobacco but intend to quit and enroll in the cessation program for 2010

Cooper Tire will continue to cover tobacco cessation programs and prescription drugs in 2010 for those employees who currently use tobacco and intend to quit. Look for more information about this program in the next few months. In the meantime, when you enroll for benefits, you will be asked whether you currently use tobacco, currently use tobacco and intend to quit, or you do not use tobacco at all.

### Wellness Counts Biometric Screening ( Will reduce the price tags above)

Wellness counts include

- (1) On-site health evaluations including a blood pressure check and blood test;
- (2) Test results and health information available on line and mailed to your home; and
- (3) Access to health coaches by phone.

Participants will receive a \$250 discount on the cost of your health care premiums in 2010.

To enroll in the Health & Well-Being Program, access the Web anytime between October 5 - October 25 at <https://hrms.sequent.biz> or call the Benefits Call Center toll-free at **1-888-474-1148** weekdays between 11 a.m. and 7 p.m. EST.

	Consumer Choice		Traditional PPO Option	
	In-Network	Out-of-Network	In-Network	Out-of-Network
	Available at all locations		Where a network is available	
<b>Calendar Year Deductible</b>	\$1,300/ \$2,600**	\$2,600/ \$4,200	\$500/ \$1,000	\$900/ \$1,800
<b>Coinsurance</b>	Covered at 80% after deductible	Covered at 60% after deductible	Covered at 80% after deductible	Covered at 60% after deductible
<b>Maximum Out-of-Pocket Limits (included deductible)</b>	\$3,500/ \$7,000**	\$5,000 \$10,000	\$2,300/ \$4,600	\$4,550/ \$9,100
<b>Office Visit Copay* Primary Care Specialist</b>	Covered at 80% after deductible	Covered at 60% after deductible	\$25 copay* \$35 copay	Covered at 60% after deductible
<b>Urgent Care Copay*</b>	Covered at 80% after deductible	Covered at 60% after deductible	\$40 copay	Covered at 60% after deductible
<b>Emergency Room Copay</b>	Covered at 80% after deductible	Covered at 60% after deductible	\$100 copay*	Covered at 60% after deductible
<b>Hospital Copay* Inpatient</b>	Covered at 80% after deductible	Covered at 60% after deductible	\$250 copay*	Covered at 60% after deductible
<b>Routine Adult Physical Exam Primary Care Specialist</b>	100% for preventive	60% after deductible	\$25 copay \$35 copay	Covered at 60% after deductible
<b>Adult Preventive Testing</b>	Covered at 100%	60% after deductible	Covered at 100%	Covered at 60% after deductible
<b>Inpatient Mental Health</b>	Covered at 80% after deductible	Covered at 60% after deductible	\$250 copay	Covered at 60% after deductible
<b>Inpatient Substance Abuse Benefits</b>	Covered at 80% after deductible	Covered at 60% after deductible	\$250 copay	Covered at 60% after deductible

**Traditional PPO is not available to employees hired on or after 12/1/2008**

\* Copays do not apply toward the deductible or the maximum out-of-pocket limits.

\*\* Under HSA, individual deductible and Maximum Out-of-Pocket Limits are embedded in the family deductible and maximum Out-of-Pocket if participant chooses family coverage.

\*\*\*Cost of Outpatient Mental Health/Substance Abuse does not accumulate toward Maximum Out-of-Pocket Limits

	Consumer Choice		Traditional PPO Option	
	In-Network	Out-of-Network	In-Network	Out-of-Network
<b>Prescription Drugs- Participating Pharmacy (30-day supply only; no refills)*</b>	100% for Preventive drugs  Otherwise, 80% after deductible	60% after deductible	<i>Generic</i> 10% (\$10 minimum, <b>\$25 max</b> ) <i>Preferred Brand</i> : 20%(\$25 minimum, <b>\$100 max</b> ) <i>Non-Preferred Brand</i> : 20% (\$60 minimum) <i>Specialty *Non-Preferred Brand</i> 20% ( <b>\$250 max</b> )	
<b>Prescription Drugs - Mail (90-day supply)*</b>	100% for Preventive drugs  Covered at 80% after deductible	60% after deductible	<i>Generic</i> \$30 copay <i>Preferred Brand</i> : 20% (\$65 min, <b>\$250 max</b> ) <i>Non-Preferred Brand</i> : 20% (\$125 minimum) <b>Specialty: 20% (\$750 max)</b>	
<b>Outpatient Mental Health/ Substance Abuse</b>	Covered at 80% after deductible	Covered at 60% after deductible	\$35 copay	Covered at 60% after deductible
<b>Lifetime Maximum</b>	\$2 million per person		\$2 million per person	

When purchasing prescriptions, if a generic option is available but you choose a brand, you must pay the generic copay plus the cost difference between the brand and generic drugs. This also applies if a generic is available but your doctor has indicated dispense as written (DAW) on the prescription.

Cooper's prescription benefit manager, Medco, maintains a list of "preferred" drugs that often are more cost effective than other brand drugs. For the Cooper Spectrum plan, that copay is reflected as the Preferred Brand. Employees who purchase a Non-Preferred Brand will be charged a higher copay. Additionally, the Preferred Brand list is accessible by all doctors across the country for reference. Please notify your doctor he/she should reference Medco's Preferred Brand list when prescribing for you.

**Note:** Non-preferred drugs are no longer covered by the plan unless the member obtains approval through a coverage review.

To enroll in the Health & Well-Being Program, access the Web anytime between October 5 - October 25 at **<https://hrms.sequent.biz>** or call the Benefits Call Center toll-free at **1-888-474-1148** weekdays between 11 a.m. and 7 p.m. EST.

When choosing your Dental Plan option, ask yourself:

- What level of dental care did I receive in previous years? What do I expect to need during the next two years?
- Is this my only option for dental coverage, or can I receive dental coverage through another source?
- What amount of my dental care expenses, not covered by the Dental Plan, can be reimbursed through my Health Care Spending Account or Health Savings Account?

## Dental Plan Options

In choosing your Dental Plan coverage, you may choose between the No Coverage option, the Basic Dental option, or the Premium Dental option. The dental coverage you choose will remain in effect for two years, although the cost for the coverage can change during that time.

If you enrolled for dental coverage during last years enrollment, your coverage will automatically continue for the remainder of your two-year term, extending through 2010.

You must have coverage on yourself, as an employee, to have a dependent in the Dental Plan.

Your Dental Plan options are summarized in the following chart:

	Basic	Premium
Calendar Year Deductible	Single \$50/ Family \$150 (does not apply to preventive)	Single \$25/ Family \$75 (does not apply to preventive)
Coinsurance %		
• Preventive	Covered at 80%	Covered at 100%
• Basic	Covered at 50% after deductible	Covered at 80% after deductible
• Major	Covered at 50% after deductible	Covered at 50% after deductible
Annual Maximum	\$750 per person	\$1,500 per person
Orthodontics (Child only)		
• Coinsurance	Covered at 50% after deductible	Covered at 50% after deductible
• Lifetime Maximum	\$750	\$1,500
Election	2-year enrollment commitment	

## Dental Plan Price Tags

Dental Plan		2010 Annual Price Tags	Annual Flex Allowance	2010 Annual Employee Cost	Total Effect Per Pay	
					weekly	bi-weekly
<b>Basic</b>	Employee Only	\$ 253	\$ 193	\$ 60	\$ 1.15	\$ 2.31
	Employee + one	\$ 398	\$ 193	\$ 205	\$ 3.94	\$ 7.88
	Employee + family	\$ 603	\$ 193	\$ 410	\$ 7.88	\$15.77
<b>Premium</b>	Employee Only	\$ 368	\$ 193	\$ 175	\$ 3.37	\$ 6.73
	Employee + one	\$ 723	\$ 193	\$ 530	\$ 10.19	\$20.38
	Employee + family	\$1,084	\$ 193	\$ 891	\$ 17.13	\$34.27

## Flex Allowances

The flex allowance is the amount Cooper contributes to the cost of your Health & Well-Being benefits.

Flex allowance note:

- Cooper will again contribute an additional \$200 flex allowance which is a fixed amount that may be applied to the cost of **any** plan.

If you do not use your *total* flex allowance, you will receive the amount not used as taxable income in your paycheck during the course of the year. If your benefit choices cost more than the *total* flex allowance, the difference will be deducted from your paycheck in equal installments throughout the year.

To enroll in the Health & Well-Being Program, access the Web anytime between October 5 - October 25 at **<https://hrms.sequent.biz>** or call the Benefits Call Center toll-free at **1-888-474-1148** weekdays between 11 a.m. and 7 p.m. EST.

When choosing your Vision Plan option, ask yourself:

- What level of vision care did I receive in previous years? What do I expect to need during the next year?
- Is this my only option for vision coverage, or can I receive vision coverage through another source?
- What amount of my vision care expenses, not covered by the Vision Plan, can be reimbursed through my Health Care Spending Account or Health Savings Account?

## Vision Plan

The Vision Plan covers eye care expenses for you and your eligible, enrolled family members. You can choose coverage or No Coverage. As with a Medical PPO, you can receive services from in-network or out-of-network providers. The cost of services will be lower if you use in-network providers. Whatever vision coverage you choose will remain in effect for two years, although the cost of coverage can change during that time.

If you enrolled for vision coverage during last year's enrollment, your coverage will automatically continue for the remainder of your two-year term, extending through 2010.

You must have coverage on yourself, as an employee, to enroll a dependent in the Vision Plan.

Your Vision Plan options are summarized in the chart on the adjacent page.

### Note

**Frequency** refers to the number of times the benefit can be used in a given period, while **election** refers to the duration of your enrollment decision.

**Paid in full** refers to Vision Plan services for lenses and frames available according to a pre-determined list. You will be responsible for expenses from services that exceed the amounts on the pre-determined list.

	In-Network	Out-of-Network
Exam	\$5 copay	\$55 benefit allowance
Frames	Basic coverage paid in full*	\$55 benefit allowance
Lenses		
• Single vision	Basic coverage paid in full with \$10 copayment at time materials are ordered.	\$60 benefit allowance
• Bifocal		\$70 benefit allowance
• Trifocal		\$80 benefit allowance
• Lenticular		\$110 benefit allowance
• Contacts	paid in full after \$10 copay if necessary, covered up to \$90 (including exam) if elective	\$180 benefit allowance if necessary, \$100 benefit allowance if elective
Frequency	once per participant in 24 months	
Election	2-year enrollment commitment	

## Vision Plan Price Tags

Vision Plan		2010 Annual Price Tags	Annual Flex Allowance	2010 Annual Employee Cost	Total Effect Per Pay	
					weekly	bi-weekly
<b>Basic</b>	Employee Only	\$ 45	\$ 0	\$ 45	\$ 0.87	\$ 1.73
	Employee + one	\$ 91	\$ 0	\$ 91	\$ 1.75	\$ 3.50
	Employee + family	\$136	\$ 0	\$136	\$ 2.62	\$ 5.23
<b>No Coverage</b>		\$ 0	\$ 0	\$ 0	\$ 0	

To enroll in the Health & Well-Being Program, access the Web anytime between October 5 - October 25 at <https://hrms.sequent.biz> or call the Benefits Call Center toll-free at **1-888-474-1148** weekdays between 11 a.m. and 7 p.m. EST.



Your Long Term Disability Plan coverage options are summarized in the following chart:



	50% of Annual Base Salary	66 <sup>2</sup> / <sub>3</sub> % of Annual Base Salary
Elimination Period*	180 days	180 days
Amount of Benefit	50%	66 <sup>2</sup> / <sub>3</sub> %
Length of Benefit	To age 67	To age 67
Maximum Monthly Benefit	\$5,000	\$15,000
Disability Definition	First two years: unable to perform own occupation After two years: unable to perform any job for which you are qualified mental/nervous and substance abuse limits apply	

\* A Cooper person must be off work 180 days before he/she can begin receiving LTD benefits.

## Evidence of Insurability (EOI)

You may increase your Long Term Disability coverage one level (from 50% of annual base salary to 66 2/3%) without Evidence of Insurability (EOI), but you must have EOI to move from No Coverage to the 66 2/3% coverage level. New hires can enroll into either coverage level without EOI.

If you are enrolling for the first time, a pre-existing condition exclusion applies. This means that benefits will not be paid for any disability caused by a medical condition that existed before your coverage began until you have gone three months without needing treatment for that condition or you have been enrolled for 12 months, whichever occurs first. This same provision applies for increasing coverage from the 50% to the 66 2/3% level.

When EOI is required, you'll automatically receive the next lowest coverage level available while your EOI form is being approved.

An EOI form will be mailed to you separately by the Long Term Disability Carrier. You will need to complete the form and return it in the envelope provided.

To enroll in the Health & Well-Being Program, access the Web anytime between October 5 - October 25 at <https://hrms.sequent.biz> or call the Benefits Call Center toll-free at **1-888-474-1148** weekdays between 11 a.m. and 7 p.m. EST.

When choosing your Employee Life/AD&D coverage, ask yourself:

- Do I receive life insurance from any other source? What is the cost of that coverage?
- Who relies on me for financial support?
- How much will my family need to be financially secure in the event of my death?
- Does my family have other sources of income?

## Employee Life/Accidental Death & Dismemberment (AD&D)

The full amount of Employee Life coverage is payable in the event of your death. If your death is caused by an accident, then the Employee Accidental Death & Dismemberment (AD&D) coverage doubles the total payment. You must designate a beneficiary at the time of enrollment.

AD&D coverage provides financial protection to you and your family if you incur certain injuries or die as the result of an accident. AD&D will pay your beneficiary the amount of the option you choose, or a portion of that amount if you suffer certain injuries, such as the loss of your sight or a limb. The exact amount payable for injuries varies depending on the severity of the injury. The amount payable to your named beneficiary in the event of your death is the amount of coverage you select.

**The cost of this plan will be paid for with pre-tax dollars, and any benefits received will not be subject to federal income tax.**

The value of life insurance coverage in excess of \$50,000 must be included as imputed income. The value will be reported in your form W-2, in boxes 1, 3, 5 and 12 (with code C).

Your Employee Life/AD&D options are summarized in the following chart:

Amount of Coverage	\$10,000	\$50,000	1 x annual base salary	2 x annual base salary	3 x annual base salary	4 x annual base salary
--------------------	----------	----------	------------------------	------------------------	------------------------	------------------------

### Rounding

The rule for rounding when determining your pay coverage amount is to first round up to the nearest \$1,000. For example, if your pay is \$32,501 it will be rounded up to \$33,000. If you select 2 x your salary, your coverage will be \$66,000. ( $\$33,000 \times 2 = \$66,000$ ).

## Employee Life/Accidental Death & Dismemberment (AD&D) Costs and Flex Allowance

The costs for Employee Life/AD&D insurance are **different for each Cooper person**.

Your age and salary as of Sept. 1, 2009, and whether you are a tobacco user, provides the basis for the costs and flex allowance for Employee Life/AD&D insurance.

If your base salary increased during the past year and/or if your last birthday moved you into a higher age bracket (which are set in five-year increments) there is a possibility that, your base rate may increase.

The Employee Life/AD&D flex allowance is enough to cover the price tag of 1x your annual base salary if you are a non-tobacco user. If you do not enroll, Cooper will provide you with \$10,000 in coverage.

Both your Employee Life/AD&D insurance flex allowance and cost will appear on your Personalized Enrollment Worksheet (PEW).

## Evidence of Insurability (EOI)

Directly enrolling for the first time in Employee Life/AD&D at 4 x annual base salary or any coverage amount over \$750,000 will require Evidence of Insurability (EOI) before your choice can be accepted.

Cooper people already enrolled in Employee Life/AD&D may increase coverage by one level up to 3x without EOI. EOI is required, however, to move up more than one level for Employee Life/AD&D coverage.

When EOI is required, you'll automatically receive the next lowest coverage level available while your EOI form is being approved. An EOI form will be mailed to you separately by the Life Insurance Carrier. You will need to complete and return it in the envelope provided.



To enroll in the Health & Well-Being Program, access the Web anytime between October 5 - October 25 at **<https://hrms.sequent.biz>** or call the Benefits Call Center toll-free at **1-888-474-1148** weekdays between 11 a.m. and 7 p.m. EST.

When choosing Spouse Dependent Life/AD&D and Child Dependent Life/AD&D coverage, ask yourself:

- Do I already have life and/or AD&D coverage for my spouse and children) from another source? What is the cost of that coverage?
- Does my spouse work? Does he/she have life and/or dependent life/AD&D available through his/her employer?

### Attention married Cooper employees

For the Life/AD&D plans, you cannot be covered as both an employee and a dependent; therefore, neither of you may cover your spouse and only one of you may select coverage for your children.

## Spouse Dependent Life/AD&D and Child Dependent Life/AD&D

Spouse Dependent Life/AD&D and Child Dependent Life/AD&D provide additional financial protection to you and your family in the event of the death of a spouse or dependent child. As with the Employee Life/AD&D, if death is caused by an accident, the amount paid is doubled. The employee is automatically the beneficiary of these insurances. By law, the maximum benefit payable is 50% of Employee Life/AD&D coverage. Both plans allow you to choose No Coverage. Your options for Spouse Dependent Life/AD&D and Child Dependent Life/AD&D are summarized in the following chart.

Spouse	\$10,000	\$25,000	\$50,000	\$75,000	\$100,000
Child	\$5,000	\$15,000	N/A	N/A	N/A

### Spouse and Child Life/AD&D costs

The cost for Spouse Dependent Life/AD&D insurance is based on your age, *not* the age of your spouse. The base rates for Spouse Dependent Life/AD&D did not increase for 2010. However, because the cost is based on your age, if your last birthday moved you into a higher age bracket (which are set in five-year increments) your costs may increase. Your Spouse Dependent Life/AD&D insurance cost will appear on your Personalized Enrollment Worksheet (PEW).

The costs for Child Dependent Life/AD&D insurance are \$16.38 annually for \$5,000 in coverage and \$48.88 annually for \$15,000 in coverage. Remember, these are not per child costs. You will pay this amount no matter how many children, who are eligible for medical coverage, you have and receive coverage in the amount you choose for each child.

### Evidence of Insurability (EOI)

Current Cooper people not enrolled for Spouse and Child Dependent Life/AD&D may purchase the lowest levels available without EOI. Current Cooper people already enrolled in either coverage may increase coverage by one level without EOI. It is required, however, to move up more than one level for Spouse and Child Dependent Life/AD&D coverage or for Spouse coverage of more than \$50,000.

Directly enrolling for the first time as a new hire in Spouse Dependent Life/AD&D at any coverage amount over \$50,000 will require Evidence of Insurability (EOI) before your choice can be accepted.

When EOI is required, you'll automatically receive the next lowest coverage level available while your EOI form is being approved. An EOI form will be mailed to you separately by the Life Insurance Carrier. You will need to complete and return it in the envelope provided.

---

## Reimbursement for Health Care Spending Account (HCSA)

Cooper Tire & Rubber Company will again offer prepaid benefits card service to those enrolled in the Health Care Spending Account (HCSA).

Your prepaid benefits card can be used to pay for qualified health care expenses (medical, Rx, dental, vision, and over the counter meds/supplies), not covered through the health plan, without having to pay cash up front. This process will continue until your HCSA account is depleted.

If you were enrolled in the HCSA option for 2009, please retain the Benny card that you received, if you wish to again enroll in the plan for 2010. Only new entrants each year will automatically receive a new card.

Participants should keep all receipts on file. Receipts are needed for either substantiation that the debit card was indeed used for eligible qualified medical expenses and /or possible IRS audit.

If you do not use the debit card, you will need to file a reimbursement request form.

Those enrolled in the Dependent Care Spending Account (DCSA) will continue to request refunds on paper reimbursement request forms.

## Extension for HCSA & DCSA claims

In 2005, the IRS extended the date to deplete the balance in Health Care Spending Accounts (HCSA) or Dependent Care Spending Accounts (DCSA) by 2 1/2 months. So, if you have a balance in your HCSA or DCSA account at the end of 2010, you can submit eligible claims incurred during the first 2 1/2 months of 2011 for reimbursement.

Health Design Plus will process claims on a first-in, first-out method. If you have outstanding claims from 2010, HDP will process those before any claims incurred in 2011. Once your 2010 account is depleted (by March 15, 2011), your 2011 claims will then be applied to the amount you choose to contribute to your HCSA and DCSA accounts during open enrollment for 2011.

Any balance left in the account after March 15, 2011, will be forfeited.

To enroll in the Health & Well-Being Program, access the Web anytime between October 5 - October 25 at **<https://hrms.sequent.biz>** or call the Benefits Call Center toll-free at **1-888-474-1148** weekdays between 11 a.m. and 7 p.m. EST.

When enrolling in a Health Care Spending Account, ask yourself:

- What were my health needs in previous years, and will those needs change in 2010?
- How often am I or my dependents likely to see a doctor or dentist in 2010?
- Am I expecting a child next year?
- Do I or my dependents need glasses or contact lenses?
- What prescriptions, deductibles and copays do I expect in 2010?

## Health Care Spending Account (HCSA)

Cooper offers pre-tax spending account benefits to pay for eligible out-of-pocket expenses related to health care. Through the Health Care Spending Account (HCSA), you can choose to contribute funds on a pre-tax basis to pay for eligible out-of-pocket health care expenses.

Eligible expenses include copays, deductibles, and your share of expenses [excluding any premium you pay for the cost of the plans] under the Medical/Prescription Drug, Dental or Vision plans. Funds to be used for these expenses are deducted from your paycheck in equal amounts each pay period before taxes are withheld, which means you pay less in taxes.

You can contribute from \$260 to \$5,000 per year to your HCSA to cover eligible out-of-pocket expenses.

**Be careful in your planning. You should contribute no more than you expect to pay up to March 15, 2011 because, under the IRS regulations, any remaining balance left in your account after March 15, 2011 will be forfeited.**

The IRS has also approved **over-the-counter drugs** for reimbursement through a HCSA. This is especially helpful for people who remedy chronic health problems by regularly taking an over-the-counter medicine. However, there are some limitations. Only over-the-counter drugs purchased to alleviate or treat an illness or injury are eligible.

So what's covered? Here's an example:

You purchase an antacid, an allergy medicine, a pain reliever, and a cold medicine from a pharmacy, none of which require a physician's prescription. You also purchase dietary supplements (vitamins) without a physician's prescription to maintain your family's general health. You submit a claim for reimbursement from your HCSA (with a valid receipt) for all of these expenses, since these items are not covered by the medical/prescription drug plan.

The amount you spent to purchase the antacid, allergy medicine, pain reliever, and cold medicine is considered an eligible expense for medical care and is reimbursable through your HCSA. However, the dietary supplements (vitamins) are not considered medical care by the IRS, and are not reimbursable.

**Note: You cannot choose to contribute to the HCSA if you have chosen the Health Savings Option.**

## Dependent Care Spending Account

Through the Dependent Care Spending Account (DCSA), you can contribute funds to pay for eligible out-of-pocket dependent/child care expenses. Funds to be used for these expenses are deducted from your paycheck before taxes are withheld, which means you pay less in taxes. You can set aside between \$260 to \$5,000 per year in your DCSA to cover eligible dependent/child care expenses (listed below).

If you are single, you can be reimbursed for dependent/child care if you are unable to care for an eligible dependent while you work. If you are married, you can be reimbursed for dependent/child care expenses only if:

- Your expenses enable you and your spouse to work or look for work.
- Your spouse is a full-time student for at least five months during the year.
- Your spouse is incapable of self care.

**Be careful in your planning. You should contribute no more than you expect to pay up to March 15, 2011 because, under the IRS regulations, any remaining balance left in your account after March 15, 2011 will be forfeited.**

The combined calendar year contributions of you and your spouse to the DCSA are currently limited to \$5,000 unless:

- you and your spouse file separate income tax statements, then the limit is \$2,500 per spouse
- your spouse's earned income is less than \$5,000, then his/her income amount is the limit
- your spouse is a full-time student or is incapable of self-care, then you can set aside up to \$250 per month for one dependent or up to \$500 per month for two or more dependents, even if your spouse has no earned income. The \$5,000 annual limit still applies.

The IRS requires a provider tax identification number. Those expenses that qualify for the IRS dependent care tax credit generally include:

- Babysitters, other than a dependent of yours
- Daycare, day camps, nursery school, or other outside dependent or child care services
- Elder care for dependents who live with you and are declared on your tax return.

You can use the account to pay for the child or elder care of any dependent you claim on your tax return and who lives with you who is:

- Under age 13, or
- Mentally or physically incapable of self-care (including elderly dependent parents and children of any age).

When enrolling in your Dependent Care Spending Account, ask yourself:

- What dependent care expenses do I expect to have next year?
- Will any of my dependents become ineligible during 2010 (e.g., turning age 13)?
- Will my dependent care expenses change during the summer?
- Will my family be taking any vacations during the year?
- Do I have any dependents becoming eligible during 2010 (ie. elder care)?

Note: Reimbursement for your dependents care expenses must relate to dependent care that is actually provided during the plan year (or, if shorter, the period that the participant was covered under the plan.)

To enroll in the Health & Well-Being Program, access the Web anytime between October 5 - October 25 at <https://hrms.sequent.biz> or call the Benefits Call Center toll-free at **1-888-474-1148** weekdays between 11 a.m. and 7 p.m. EST.



# Worksheets & Examples

## Health Savings Account (HSA)

### Health Savings Account Worksheet

Use the following exercise to estimate how much you could set aside in a Health Savings Account (HSA).

**1**

Anticipated out-of-pocket Medical/Prescription Drug, Dental and Vision Plan expenses for 2010.

\$ \_\_\_\_\_

+

**2**

Other eligible out-of-pocket health care expenses not covered by the Medical/Prescription Drug, Dental or Vision Plans.

\$ \_\_\_\_\_

+

**3**

Additional amount to save for future use or in the event of major illness or injury.

\$ \_\_\_\_\_

#### Annual Total

(\$260 minimum,  
\$3,050 maximum for employee only,  
\$6,150 for employee plus one or more.)

=

\$ \_\_\_\_\_

# Health Care Spending Account (HCSA)

## Eligible Expenses

Your HCSA can be used to reimburse yourself for **deductibles, co-pays, co-insurance** and **items not covered** by Spectrum.

The following is a condensed list of covered items. For a complete listing, log on to [www.irs.gov/formspubs/page/0,,id=11563,00.html](http://www.irs.gov/formspubs/page/0,,id=11563,00.html) or call 1-800-TAX-FORM (1-800-829-3676) and ask for Publication #502, *Medical and Dental Expenses*; and Publication # 969, Health Savings Accounts and other Tax-Favored Health Plans.

- Acupuncture
- Alcoholism Treatment
- Ambulance
- Artificial Limb
- Artificial Teeth
- Birth Control Pills
- Braille Books and Magazines
- Chiropractor
- Contact Lenses
- Crutches
- Dental Treatment
- Drug Addiction
- Eyeglasses
- Eye Surgery
- Fertility Enhancement
- Health Institute
- Hearing Aids
- Hospital Services
- Laboratory Fees
- Medical Services
- Medicines
- Nursing Home
- Osteopath
- Oxygen
- Psychiatric Care
- Sterilization
- Stop-Smoking Programs
- Surgery
- Wheelchair
- Wig
- X-ray

### Health Care Spending Account Worksheet

Use the following exercise to estimate how much you should set aside in a Health Care Spending Account (HCSA).

<b>1</b>	Anticipated out-of-pocket Medical/Prescription Drug, Dental and Vision Plan expenses for 2010 (e.g., deductibles and copays)	\$	
		+	
<b>2</b>	Plan expenses greater than the maximum benefit	\$	
		+	
<b>3</b>	Other eligible out-of-pocket health care expenses not covered by the Medical/ Prescription Drug, Dental or Vision Plans.	\$	
		=	
Annual Total (\$260 minimum; \$5,000 maximum)		\$	

To enroll in the Health & Well-Being Program, access the Web anytime between October 5 - October 25 at <https://hrms.sequent.biz> or call the Benefits Call Center toll-free at **1-888-474-1148** weekdays between 11 a.m. and 7 p.m. EST.



## HCSA Tax Advantages

The following table is an example of a single employee earning \$35,000 a year, with and without using the Health Care Spending Account.

	No Contribution	Contribution
Annual pay (taxable income):	\$35,000	\$35,000
Pre-tax contribution:	— 0	— 800
Taxable income:	\$35,000	\$34,200
Estimated taxes*:	— 8,750	— 8,550
After-tax health care expenses:	— 800	— 0
Take-home pay:	\$25,450	\$25,650

Annotations: A box labeled "SAME" is placed between the Taxable income rows. A box labeled "SAVE \$200" is placed between the Take-home pay rows. Arrows indicate the flow of these annotations.

As you can see, using the Health Care Spending Account saved this person \$200 that would otherwise have been paid in taxes for that year.

\*Assumes a 25% tax rate

# Dependent Care Spending Account (DCSA)

## Dependent Care Spending Account Worksheet

Use the following exercise to estimate how much you should set aside in a Dependent Care Spending Account.

1	Amount paid to a dependent care provider per month for child care or elder care.	\$ _____
		+
2	Other eligible monthly expenses (see IRS publication 503)	\$ _____
		=
3	Total monthly cost	\$ _____
4	Multiply by 12 months	x 12
		=
	Annual Total (\$260 minimum; \$5,000 maximum)	\$ _____

## DCSA Tax Considerations

When paying for eligible dependent care expenses, you have three options. You can:

1. **Use the DCSA** - The DCSA offers a way for you to save money by allowing you to pay for your eligible dependent care expenses with pretax dollars.

However any expenses for which you receive a DCSA reimbursement will not be eligible for the federal dependent care income tax credit.

2. **Take a Federal Income Tax Credit** - You also can save money by using the federal income tax credit, but you cannot receive this credit for expenses that were reimbursed from your DCSA.

Under the Internal Revenue Code, the tax credit equals a percentage of your dependent care expenses, up to \$3,000 (\$250 a month) for one dependent or \$6,000 (\$500 a month, until you reach the maximum) for two or more dependents. This amount may change from year to year - contact your tax advisor for details.

3. **Combine the benefits of the DCSA with a Federal Income Tax Credit** - If you decide to use a combination of DCSA reimbursement and the federal tax credit, the amount of your expenses that are eligible for the federal tax credit will be reduced by the amount of expenses you were reimbursed from your DCSA. The combined amount cannot exceed \$5,000 in total.

In general, if your family income is more than \$39,000 a year, you may want to consider using the DCSA only. However, everyone's situation is unique.

To enroll in the Health & Well-Being Program, access the Web anytime between October 5 - October 25 at <https://hrms.sequent.biz> or call the Benefits Call Center toll-free at **1-888-474-1148** weekdays between 11 a.m. and 7 p.m. EST.



## DCSA Tax Advantages

The following table is an example of a single employee earning \$22,000 a year, with daycare expenses of \$50 per week, with and without using the Dependent Care Spending Account.

	No Contribution	Contribution
Annual pay (taxable income):	\$22,000	\$22,000
Pre-tax contribution:	– 0	– 2,600
Taxable income:	\$22,000	\$19,400
Estimated taxes*:	– 3,300	– 2,910
After-tax dependent care expenses:	– 2,600	– 0
Take-home pay:	\$16,100	\$16,490

Annotations: An arrow points from the 'Pre-tax contribution' row to the 'Contribution' column, labeled 'SAME'. Another arrow points from the 'Take-home pay' row to the 'Contribution' column, labeled 'SAVE \$390'.

As you can see, using the Dependent Care Spending Account saved this person \$390 that would otherwise have been paid in taxes for that year.

\*Assumes a 15% tax rate

### Eligible and Ineligible Expenses:

For a complete listing of eligible and ineligible expenses payable from the Dependent Care Spending Account, refer to IRS Publication #503, available free of charge by calling 1-800-TAX-FORM or by logging on to [www.irs.gov](http://www.irs.gov).

# What Happens Next

## After You Enroll

1. After enrollment, you will receive your Confirmation Statement in the mail. Review your statement carefully for accuracy. See below for an example of a Confirmation Statement.
2. Fill out any Evidence of Insurability (EOI) forms included with your Confirmation Statement and return them in the envelope provided.

**COOPER**  
Health Care Benefits  
2010 CONFIRMATION STATEMENT

JOHN DOE  
100 MAIN STREET  
HOUSTON, TX 77092

---

This statement confirms your benefit choices effective January 1, 2010. If any of this information is incorrect, the web enrollment system will be available to make changes to your benefit choices from 9am (ET) November 9 until 7:00 PM (ET) on November 15, 2010, or you may call the Cooper Spectrum Benefits Call Center at 888-474-1148 from November 12 until November 18, 2009. Representatives are available from 11:00 AM to 7:00 PM (ET). Your benefit choices will remain in effect through December 31, 2009, unless you have a qualified family status change (such as a divorce or birth of child) or a change in your employment status that impacts your benefit coverage AND you notify your local HR Representative within 31 days of the change.

The web enrollment system will be available to make corrections to your benefit choices, if necessary, from 9am (ET) November 9 until 7:00 PM (ET) November 15, 2009.

**Please see the back page of this statement for a listing of your 2010 benefit choices.**

**Dependent Information**

Your covered dependents as of January 01, 2010 are:

First Name	Last Name	Birthdate	Social Security Number	Relationship	Sex (M/F)	Coverage		
						Medical (Y/N)	Dental (Y/N)	Vision (Y/N)
Jill	Doe	10/10/1955	454-99-9999	Spouse	F	Y	Y	Y
Rick	Doe	11/11/2000		Child	M	Y	N	N
Alexis	Doe	08/15/1982		Full-time Student	F	Y	N	N

~ Over ~

*Open Enrollment Confirmation Statement*

Information on how to correct any errors you may find on the statement

Lists your choice of options, coverage level, and per-pay-period and annual paycheck deductions (if any)

**2010 Plan Choices**

Plan	Option	Coverage Level	Annual Employee Cost	Per Pay Period Cost
Medical/ Prescription Drug	Catastrophic	Employee + Two or More	\$9,613.00	\$369.73
HSA	2009 Contribution	\$600.00	\$600.00	\$23.07
Dental	Premium	Employee + One	\$673.00	\$25.88
Vision	Vision Service Plan	Employee + One	\$92.00	\$3.54
Employee Life/AD&D*	Coverage	4 x Annual Base Salary	\$229.32	\$8.82
Long Term Disability	Coverage	50% of Annual Base Salary	\$400.40	\$15.40
Spouse Dependent Life/AD&D*	Coverage	\$75,000	\$94.66	\$3.64
Child Dependent Life/AD&D	No Coverage	No Coverage	\$0.00	\$0.00
Dependent Care Spending Account	No Contribution	\$0/year	\$0.00	\$0.00

	Annual	Per Pay Period
Total Pre-Tax Price Tag	\$11,207.32	\$431.04
Total After-Tax Price tag	\$495.06	\$19.04
Total Flex Allowance	(\$9,808.33)	(\$377.24)
Effect on Pay	\$1,894.05	\$72.84

\*This option requires Evidence of Insurability. If you enroll in this option, an Evidence of Insurability form will be sent to your home address from Minnesota Life. EOI is required to move up more than one level. When EOI is required, you'll automatically receive the next lowest coverage level available while your EOI form is being approved.

*Open Enrollment Confirmation Statement*

Lists the dependent information on file including dependents' birthdays, Social Security numbers and the coverage options you have selected

**COOPER TIRE & RUBBER COMPANY**  
**FINDLAY, OHIO 45840**