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About the Cleveland Clinic Life Insurance Benefit Program

Financial security for your beneficiary(ies) is an important consideration. Benefits are available to your designated beneficiary(ies) from several sources:

- Life Insurance
- The Cleveland Clinic Investment Pension Plan
- The Cleveland Clinic Savings and Investment Plan
- Social Security

This booklet summarizes the Cleveland Clinic Life Insurance Benefit Program. Cleveland Clinic pays for Core Life Insurance and Accidental Death and Dismemberment coverage for regular, full-time and part-time employees as of their date of hire. Regular full-time and part-time employees may also elect Additional Life Insurance coverage for themselves and/or Dependent Life Insurance coverage for their eligible family members as of their date of hire.

Please read this booklet carefully and review the information with your designated beneficiary(ies). If you should have any questions about the information provided in this summary, please contact the Total Rewards Department.
Eligibility for Life Insurance

The Core Life Insurance Benefit Program provides Life Insurance and Accidental Death and Dismemberment coverage for active, regular, full-time and part-time employees of Cleveland Clinic.

Additional Life Insurance and/or Dependent Life Insurance is available to active, regular, full-time and part-time employees as of their date of hire.

Eligible family members for Dependent Life Insurance are:
• Your lawful spouse (not divorced or legally separated).
• Your children who are: your natural children, stepchildren, or legally adopted children (or under placement for adoption) who are under age 23. Coverage for your children terminates on the last day of the month in which they reach age 23.
• Your unmarried children age 23 or older who are disabled as determined by the Social Security Administration. Proof of disability must be provided to the Total Rewards Department within 31 days after the determination of disability.

If both parents are Cleveland Clinic employees, any children are eligible for benefits from both the father and the mother.

Effective Date for Coverage

Core Life Insurance and Accidental Death and Dismemberment coverage begins immediately, provided you are Actively at Work on the effective date.

If elected during the initial election period (within 31 days of hire) or at the time of a qualified Life Event Change, Additional Life Insurance and/or Dependent Life Insurance coverage begins immediately, provided you are Actively at Work on the effective date. Evidence of insurability will be required to obtain Additional Life Insurance of more than six times your annual salary or a benefit that is greater than $1,000,000.

If not chosen during the initial election period, Additional Life Insurance and/or Dependent Life Insurance coverage usually begins January 1 (or upon approval from Consumers Life Insurance Company), following your application during the annual BeneFlex enrollment and successful completion of the evidence of insurability process.
Life Event Changes

To help Cleveland Clinic design a cost-effective benefit program each year, maintain costs, and to anticipate future needs, you are required to keep your selected Beneflex elections unless you or your dependents experience a “Life Event Change.”

Under Internal Revenue Service guidelines, the following occurrences meet the definition of a qualifying life event and permit you to change certain elections:

1. Changes in legal marital status, including marriage, death of a spouse, divorce, legal separation or annulment.
2. Changes in the number of dependents for reasons that include birth, adoption, placement for adoption, the assumption of legal guardianship, or death.
3. Employment status changes, meaning an employee, spouse or dependent starts a new job or loses a current job.
4. Work schedule changes, meaning a reduction or increase in hours of employment for the employee, spouse, or dependent, including a switch between part-time and full-time, a strike or lockout, or the beginning or end of an unpaid leave of absence.
5. Changes in work location, meaning a change in the place of residence or work of an employee, spouse, or dependent.
6. A dependent satisfies — or no longer satisfies — the eligibility requirements for dependents because of age, job status or other circumstances.
7. A qualified medical child support court order (QMCSO), or other similar order, that requires health coverage for an employee’s child.

If you experience a qualifying life event and wish to change your coverage, you must contact the Total Rewards Department within 31 days of the event and provide the necessary supporting documentation. Any adjustment to coverage must be consistent with the changes resulting from the qualifying life event.
Amount of Insurance
The death benefit payable from the Core Life Insurance and the Accidental Death and Dismemberment (Principal Sum) is a function of your basic annual pay rounded up to the next whole thousand dollars as of October 1, of the previous year and is calculated as follows:

One times Base Annual Salary to a maximum of $500,000.

Basic annual pay excludes overtime or any other extra pay. This is term life with no cash value.

The amount of Additional Life Insurance is from one to ten times your basic annual pay rounded up to the next whole thousand dollars as elected under BeneFlex. The maximum amount of Additional Life Insurance is $1,500,000.

The Dependent Life Insurance amount for your spouse is $25,000. For eligible children, the amount of coverage is $10,000 on the life of each child.

Based on the current Internal Revenue Service Regulations, the cost for your Life Insurance that is over $50,000 in coverage or is for your dependents may result in additional tax liability. Any tax liability is listed on your paystub/ direct deposit advice as Group Term Life (“GTL”) and will be reported on your annual form W-2 Statement of Earnings.

Designation of Beneficiary(ies)
Your official beneficiary record is maintained by the Total Rewards Department. The initial beneficiary designation is made at the time of hire or as part of the annual BeneFlex enrollment.

Your beneficiary election can be changed at any time by entering a new beneficiary designation online through the HRConnect portal.

You can name more than one individual as your beneficiary and can have primary and secondary beneficiaries. It is important that you name a beneficiary for your benefits. If you do not designate a beneficiary or if no named beneficiary survives you, your Life Insurance benefit will be paid as follows:

1. To your spouse, if living; if not,
2. In equal shares to your then living natural or adopted children, if any; if none,
3. In equal shares to your father and mother, if living; if not,
4. To your estate.

Payment of Benefits
The LifeInsurance benefit is paid regardless of the cause of death. The Accidental Death and Dismemberment benefit is paid if the loss of life or a member of the insured’s body is the result of an accident. Application for the payment of benefits will be processed after a certified original death certificate or proof of loss of a member is received by the Total Rewards Department. The beneficiary(ies) will be paid the amount of Life Insurance in force as of the date of your death. Interest will be added to the principal amount from date of death to the date paid. Benefits for member losses will be paid to the insured.

A lump sum paid immediately is not subject to Federal Income Tax. Any portion of the benefit attributable to interest is subject to Federal Income Tax.
**Accelerated Death Benefit**

If you are deemed to be terminally ill (you have a life expectancy of twelve months or less due to a medical condition), you may be eligible to receive 75% of the Principal Sum of your insurance during your lifetime. The minimum benefit amount is $7,500 and the maximum benefit amount is $250,000. The remaining Principal Sum will be paid to your beneficiary(ies) after your death.

This accelerated death benefit may be taxable and may affect your eligibility for Medicaid or other government programs. Consulting with professionals in these fields before applying for this benefit is advisable.

**Accidental Death and Dismemberment Benefit**

<table>
<thead>
<tr>
<th>Table of Losses</th>
<th>% of Principal Sum Payable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Life</td>
<td>100%</td>
</tr>
<tr>
<td>Both Hands</td>
<td>100%</td>
</tr>
<tr>
<td>Both Feet</td>
<td>100%</td>
</tr>
<tr>
<td>One Hand and One Foot</td>
<td>100%</td>
</tr>
<tr>
<td>Entire Sight of Both Eyes</td>
<td>100%</td>
</tr>
<tr>
<td>Speech and Hearing</td>
<td>100%</td>
</tr>
<tr>
<td>Quadriplegia</td>
<td>100%</td>
</tr>
<tr>
<td>Paraplegia</td>
<td>75%</td>
</tr>
<tr>
<td>One Hand</td>
<td>50%</td>
</tr>
<tr>
<td>One Foot</td>
<td>50%</td>
</tr>
<tr>
<td>Entire Sight of One Eye</td>
<td>50%</td>
</tr>
<tr>
<td>Speech</td>
<td>50%</td>
</tr>
<tr>
<td>Hearing (Both Ears)</td>
<td>50%</td>
</tr>
<tr>
<td>Hemiplegia</td>
<td>50%</td>
</tr>
<tr>
<td>Thumb and Index Finger (on Same Hand)</td>
<td>25%</td>
</tr>
<tr>
<td>Uniplegia</td>
<td>25%</td>
</tr>
</tbody>
</table>

1 Certain limitations may apply depending on the cause of death or dismemberment such as suicide, intentionally self-inflicted injury, intoxication, acts of war, but not limited to these causes.

**Dependent Education Benefit**

A dependent child who is an enrolled full-time student in a school of higher education at the time of your death will receive an additional benefit, the Dependent Education benefit, if the Principal Sum under the Accidental Death and Dismemberment benefit is payable for the loss of your life. The maximum benefit for each student is the lesser of the Principal Sum or $12,000. The benefit is payable in four equal annual installments provided the child remains enrolled.

**Spouse Education Benefit**

A spouse who is an enrolled full-time student in a school of higher education at the time of your death will receive an additional benefit, the Spouse Education benefit, if the Principal Sum under the Accidental Death and Dismemberment benefit is payable for the loss of your life. The maximum benefit is the lesser of 5% of the Principal Sum, or $5,000 per year or the amount of the expense actually incurred.
Air Bag Benefit
An additional benefit equal to 5% of the Principal Sum of the Accidental Death and Dismemberment benefit is payable if your death is the result of an accident which occurs while you are driving or riding in an automobile provided that you were positioned in a seat that was equipped with a factory installed air bag, you were properly wearing a seat belt, and the police report establishes that the air bag inflated properly upon impact.

The maximum benefit payable is $5,000. If it is unclear whether you were properly wearing seat belt(s) or if it is unclear whether the air bag inflated properly, then the benefit will be $100.

Repatriation Benefit
An additional benefit of up to $5,000 of the Principal Sum of the Accidental Death and Dismemberment benefit will be paid for the preparation and transportation of your body to the mortuary if your death occurs at least 75 miles away from your principal residence.

Coma Benefit
An additional benefit will be paid to you or your legal representative if an injury occurs as a result of an accident and if you become comatose within 31 days of the accident. The benefit will be paid at the rate of 1% of your Principal Sum per month. Payment will end on the earliest of the end of the month in which you die, or the end of the 11th month for which the benefit is payable, or the end of the month in which you recover from the coma.

Child Care Benefit
An additional benefit equal to 3% of the Principal Sum of the Accidental Death and Dismemberment benefit, not to exceed $3,000 per year per dependent child up to four years, will be paid if your death is the direct result of an accident and if the dependent child is enrolled in a Legally Licensed Child Care Center.

HIV Occupational Accident Benefit
An additional benefit equal to 25% of the Principal Sum of the Accidental Death and Dismemberment benefit, not to exceed $25,000, will be paid if you suffer an injury from an accident that occurs during the performance of your occupational duties and results in you acquiring and testing positive for Human Immunodeficiency Virus (HIV) antibodies within one year of the injury. In order to be paid, you must submit a Workers’ Compensation injury report to Cleveland Clinic within 48 hours of the accident and test positive for HIV antibodies within 48 hours of such accident.

Felonious Assault Benefit
An additional benefit equal to 10% of the Principal Sum of the Accidental Death and Dismemberment benefit, not to exceed $10,000, will be paid if a loss results from a Felonious Assault.

Felonious Assault means a Physical Attack by another person resulting in bodily harm to you. A Felonious Assault is not a moving violation as defined under the applicable state motor vehicle laws.

Physical Attack means any willful or unlawful use of force or violence upon you with the intent to cause bodily injury to you. The Physical Attack must be considered a felony or misdemeanor in the jurisdiction in which it occurs.
Exposure and Disappearance Benefit
If as a result of an accident you are unavoidably exposed to the elements and suffer a loss as a result of that exposure, the loss will be covered according to the Table of Losses on page 5.

If your body is not found within one year of an accidental disappearance resulting from a forced landing, sinking or wrecking of a conveyance in which you were an occupant, you will be deemed to have suffered loss of life. If you are later found to be alive, the Accidental Death and Dismemberment benefit must be refunded to Consumers Life Insurance Company.

Termination of Insurance Coverage
Protection under this Program continues as long as you remain an active employee, including the period you may be on an approved Leave of Absence due to a disability, which is granted for up to 27 weeks from when the Leave of Absence began.

In any event, coverage terminates the last day of the month in which your active employment ceases.

Conversion of Life Insurance
An employee may convert the life insurance provided through Cleveland Clinic in the event of termination or retirement. This may occur by purchasing, without evidence of insurability, an individual policy. You must apply for continued coverage within 31 days of the date the Cleveland Clinic-provided coverage ends.

A dependent may convert to an individual policy in the event of your termination or retirement, or a dependent child reaches the maximum age, or a spouse is no longer eligible as a result of divorce or dissolution of marriage.

The premium for individual coverage is based on your or your dependent’s age at the time you select it, and the amount of insurance selected. It is paid directly to the insurance company.

Portability of Life Insurance
Employees enrolled in the Core and Additional Life Insurance can continue these insurance coverages upon termination or retirement or in the event they are on an approved Medical Leave of Absence and transferred to an inactive status, provided they are under 70 years old. The maximum coverage available under the portability provision is 100% of the amount of Core and Additional Life Insurance in effect on the date your coverage ends, less any amount converted under the Conversion of Life Insurance provision, to a maximum of $200,000.

You may continue your Dependent Life Insurance upon termination or retirement if you were insured for at least 12 months, and you are under 70 years old, and you did not terminate due to a disability. The maximum coverage available under the portability provision is 100% of the amount of Dependent Life Insurance in effect on the date your coverage ends, less any amount converted under the Conversion of Life Insurance provision.

You must apply for portability coverage within 31 days of the date the Cleveland Clinic-provided coverage ends.
Payment of Benefits

• The Total Rewards Department completes the appropriate form required by the insurance company for filing a claim.
• This form, an original certified death certificate, and any other required documentation are sent to the life insurance company which processes the claim, making payment or issuing a denial notice.

Claim Appeals

• Written notice of a claim denial will be furnished to the claimant within 90 days after receipt of the claim. An extension of 90 days is allowed if special circumstances are involved. Notice of any such extension is provided to the claimant by the insurance company. This notice will explain the special circumstances involved and the date a decision is expected.
• The notice of denial will be written in an understandable manner and include the following:
  – The specific reason(s) for denial
  – Specific reference to the provision which forms the basis of the denial
  – A description of additional needed information, if any, and an explanation of why it is needed
  – An explanation of the insurance company’s claim review procedure
• The claimant may request an appeal at any time during the 60 day period following receipt of the notice of denial of the claim.
• The life insurance company will consider a written request for an appeal of denied claims by the beneficiary or duly authorized representative.
• The insurance company will provide a written decision regarding the appeal, providing the final determination of the claim. This decision will be written in an understandable way, will state the specific reason(s) for the decision and will make specific reference to the provision on which the decision is based. This decision will be issued as soon as practical from the date of the appeal, and usually within 60 days. An extension of 60 days will be allowed for making this decision if special circumstances are present. Notice of this extension will be provided to the claimant.
A Statement of Your Rights Under ERISA

As a participant in the Cleveland Clinic Welfare Benefits 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:

Receive Information about Your Plan and Benefits

Examine, without charge, at the Plan Administrator's office and at other specified locations, such as worksites, all documents governing the Plan and/or this Benefit Program 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 Pension and Welfare Benefit Administration.

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 updated Summary Plan Description. The Plan Administrator may make a reasonable charge for the copies.

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.

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.

Enforce Your Rights

If your claim for benefits 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 thirty (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. In addition, if you disagree with the plan's decision or lack thereof concerning the qualified status of a domestic relations order or a 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.
**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.

**ERISA Required Information**

This information is provided in compliance with the Employee Retirement Income Security Act of 1974 (ERISA), as amended. While you should not need these details on a regular basis, the information may be useful if you have specific questions about the Plan. This following provides information specific to the Cleveland Clinic Welfare Benefit Plan (the “Plan”), and the Life Insurance Benefit Program (the “Benefit Program”) which is a component of the Plan and provides life insurance and accidental death and dismemberment benefits to certain employees.

**Official Plan Name**
Cleveland Clinic Welfare Benefits Plan

**Official Benefit Program Name**
Cleveland Clinic Life Insurance Benefit Program

**Plan Number**
530

**Type of Administration**
The Benefit Program is a fully-insured benefit plan offering Life Insurance and Accidental Death and Dismemberment benefits.

**Contributions to the Benefit Programs**
Benefit Program benefits are paid from the general assets of Cleveland Clinic. However, Cleveland Clinic has contracted with a third-party administrator to assist in the administration of the Benefit Program.

**Funding Medium**
Benefits provided by this Benefit Program are provided solely through Cleveland Clinic and through employee contributions.

**Plan Sponsor, Plan Administrator and Plan Fiduciary**
Cleveland Clinic
3050 Science Park Drive / AC341
Beachwood, OH 44122
216.448.0600

The administration of the Plan, including the Benefit Program, will be under the supervision of the Plan Administrator. To the fullest extent permitted by law, the Plan Administrator will have the discretion to determine all matters relating to eligibility, coverage and benefits under the Plan. The Plan Administrator will also have the discretion to determine all matters relating to the interpretation and operation of the Plan including any portion thereof. Any determination by the Plan Administrator, or any authorized delegate, shall be final and binding.

**Agent for Service of Legal Process**
Cleveland Clinic
Law Department / AC321
3050 Science Park Drive
Beachwood, OH 44122

Service of legal process may also be made on the Plan Administrator.
Plan Year ........................ January 1 – December 31
Records and reports for the Plan, including Benefit Programs contained therein, are kept on a calendar year (January 1 – December 31). The Plan Year is also the Fiscal Year.

Employer Identification
Number of Plan Sponsor .......... 34-0714585

Benefit Program Effective Date ... The Plan is effective as of January 1, 2013 and the provisions of the Benefit Program are effective January 1, 2015.

Plan Documentation ............... If there are any discrepancies between this *Summary Plan Description (SPD)* and the provisions of the Plan document, including the contract, the Plan document will prevail. No oral interpretations can change this Plan. The Plan Sponsor also reserves the right to interpret the Plan’s coverage and meaning in the exercise of its sole discretion. The decisions of the Plan Administrator, Claims Administrator and Appeals Administrator, as applicable, shall be final and conclusive with respect to all questions relating to the Plan.

Future of the Plan .................. The Plan Sponsor reserves the right to amend, modify, suspend or terminate the Plan, including this Benefit Program, in whole or in part, at any time, including retroactively, without notice, in such manner as it shall determine regardless of a participant’s status, which may result in the termination or modification of an employee’s coverage under the Benefit Program. If the Plan and/or Benefit Program is amended, modified, or terminated, the rights of employees are limited to benefits incurred prior to the Plan’s or Benefit Program’s amendment, modification or termination. However, no participant has a vested right to the continuation of any particular benefit provided by the Plan.

No Employment Contract .......... This *SPD* does not create any contractual rights to employment nor does it guarantee the right to receive benefits under the Plan and/or Benefit Program. Benefits are payable under the Plan and/or Benefit Program only to individuals who have satisfied all of the conditions under the Plan document for receiving benefits.

Delegation of Responsibility ...... The Plan Administrator may delegate to other persons responsibilities for performing certain duties of the Plan Administrator under the terms of the Plan. The Plan Administrator, Claims Administrator, and/or Appeals Administrator, as applicable, may seek such expert advice as reasonably necessary with respect to the Plan and/or Benefit Program. The Plan Administrator, Claims Administrator, and/or Appeals Administrator, as applicable, shall be entitled to rely upon the information and advice furnished by such delegates and experts, unless actually knowing such information and advice to be inaccurate or unlawful. The Plan Administrator may adopt uniform rules for the administration of the Plan from time to time, as it deems necessary or appropriate.
Every life deserves world class care.

9500 Euclid Avenue, Cleveland, OH 44195

Cleveland Clinic is a top-ranked nonprofit academic medical center founded in 1921. With more than 1,300 staffed beds, as well as research and education institutes, the organization is dedicated to providing expert inpatient and hospital care through innovation, quality, teamwork and service.

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