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# Employee Benefit Plans: Changes and Updates

During the summer, a number of changes will take place in the Employee Benefit Plans. This brochure provides a brief outline of those changes; however, additional home mailings and online announcements will provide more details.

For more information on the Employee Benefit Plans, contact the Benefits Service Center at (803) 725-7772, (800) 368-7333, or [Service-Center@srs.gov](mailto:Service-Center@srs.gov).

*Eligibility for benefits should not be viewed as a guarantee of employment. While SRNS and SRR intend to continue providing a comprehensive benefits program, both Companies reserve the right to modify or terminate any of the benefit plans at any time. For more information on the procedures to modify or terminate benefit plans, refer to the "General Information" handbook.*



## Employee Benefit Plans: Changes and Updates



Short / Long Term  
Disability



Savings and  
Investment Plan



Contributory  
Life Insurance

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Savannah River Nuclear Solutions, LLC  
Savannah River Remediation LLC

June 2010

# Benefit Plans: Changes and Updates

As leaders of our companies, we take pride in being able to provide a safe workplace with quality benefits for our employees.

Last year, SRNS and SRR jointly conducted a thorough study of our benefit plans, using some of the nation's most capable and experienced benefits consultants. We looked at best practices, compliance, automation, and market competitiveness. Our programs and capabilities fared well in the analysis. There were, however, some recommended changes for a few of our benefit plans. We have reviewed the changes and agree that they are in the best interest of the companies and employees. They are in line with industry standards, which help SRS mirror "best practice" companies. This is important for our future competitiveness and the ability to maintain comprehensive benefit programs for our employees and to attract new missions and future employees.

We'd like to let you know about some of the changes to the Plans that will take place during this summer.

**Savings and Investment Plan:** As of August 1, there will be a new Record Keeper—Mercer—for the Savings and Investment Plan. Mercer will save SIP participants an estimated \$700,000 annually in investment fund fees and an estimated \$600,000

savings annually for our companies. Mercer will also provide on-line investment guidance and an array of retirement-based target investment funds along with improved customer service options.

**Short and Long Term Disability:** Two new companies have been contracted to assist with long term disability claims management and Social Security advocacy. Also, effective August 1, new practices are being put into place to encourage employees to return to the workplace following disability absences. These measures will help streamline the disability process.

**Contributory Life Insurance:** Through diligent negotiations with our insurance carrier, we are fortunate to be able to keep contributory life insurance rates stable until January 2012.

Please take the time to review the changes outlined here. You'll receive more information on the changes in the future.



**Garry Flowers**  
SRNS President and CEO



**Jim French**  
SRR President and Project Manager

## Savings and Investment Plan

The Plan now	What's Changing	Benefits	Comments
Hewitt is current Record Keeper for the Plan	Mercer will be the new Record Keeper for the Plan, effective August 2, 2010	Cost savings for both participants/Companies	Current SIP fund selections will continue as choices
Limited financial modeling tool nor managed accounts	Financial Engines, offering an investment advice tool, and managed accounts will be available	More diverse services to participants	Black out dates (times during which you cannot access your account) will occur between July 28 and the week of August 9, 2010.
No "target date" retirement funds	Target Date Retirement Funds will be added to the fund selection	More diverse fund options for participants	Second quarter statements for April 1–August 1, 2010, will be mailed to participants' homes in August.
Companies pay loan fees	A \$50 fee will be charged to participants who take a loan from their account	Best practice	

## Contributory Life Insurance

Current	What's Changing	Benefits
Contributory Life Insurance rates have not changed since 2002	Transition to fully-insured product; therefore, vendor will determine future rates	Rates will stay steady through 2011

## Long Term Disability

Current	What's Changing	Benefits
Long Term Disability (LTD) claims currently administered internally	Sedgwick CMS will manage LTD claims	Streamlines the disability process
Participants file Social Security	Allsup, a Social Security Advocate, is available to assist participants through the Social Security Disability Income Process	Best practice; employee enhancement
Current LTD definition is "the inability to work any reasonable occupation"	The definition of LTD is changing to "the inability to perform your own occupation for 18 months, and then any occupation thereafter"	Best practice; employee enhancement
No current limit on mental, nervous, and substance abuse cases	A 24-month maximum limit will be placed on mental, nervous, and substance abuse cases, except for conditions caused by a physiological disorder	Best practice

## Short Term Disability

Current	What's Changing	Benefits
Critical Health Condition provision	Employees required to satisfy a 24-hour waiting period before short term disability (STD) benefits are paid. No exceptions made for Critical Health Conditions.	Best practice; Company savings
STD extensions available	STD will be kept to a maximum of 1,040 rolling hours. Extensions will no longer be available. A "Leave of Absence" may be requested.	Best practice
Family and Medical Leave Act (FMLA) time tracked separately	FMLA time will be tracked concurrently with STD	Best practice
STD claims approved by Site Medical	Disability Case Management will determine if an employee's time off will qualify as an STD claim, based on medical documentation provided, including diagnosis, course of treatment and return to work date provided by physician.	Best practice

## Looking to the future

The Companies have worked hard to add enhancements to the benefit programs. However, economic realities mean that we have to find a balance between what the Companies can offer and what works for participants.

In the coming year, employee benefit plans will continue to be analyzed for improvement possibilities. New legislation concerning national Health Care Reform will

also affect our plans. Some aspects of this legislation include dependent eligibility extended to age 26, even if the dependent is not a full-time student; elimination of annual dollar maximums within the Medical Plan; and possible continuation of COBRA subsidy. Additional information will be available during Open Enrollment.