American Academy of Pediatrics

Benefits Summary

The American Academy of Pediatrics (AAP) recognizes the importance of employee work on behalf of the nation’s children. Employees help play a critical role in providing our members and volunteers with the tools and assistance they need to ensure all children receive the highest quality care.

As we strive to achieve this mission, the AAP firmly recognizes that employees are one of its most important and valuable resources. We have tried to design an employee benefit program that addresses both employees professional and personal needs. This extensive and comprehensive program provides eligible employees with a broad range of benefits. It is our sincere hope that these benefits provide employees with some of the security and balance needed to support the AAP mission and our most enduring legacy, the children.

American Academy of Pediatrics

DEDICATED TO THE HEALTH OF ALL CHILDREN®
The AAP is committed to providing a very comprehensive benefits package. The following highlights the variety of benefits offered to eligible employees:

- **HEALTH**
  - **Health Insurance**

Coverage is effective the first full day of employment. There is no waiting period.

Comprehensive health care coverage is available to all AAP employees (working a minimum of 20 hours per week). Employees may elect single or family coverage with either a PPO or HMO managed care plan. Our BlueCross BlueShield Health plans also include qualified same sex and opposite sex domestic partner coverage.

The AAP pays the major cost of insurance benefits for full-time employees. The AAP’s contribution towards health insurance for part-time employees is reflective of the employee's full-time equivalency (FTE).

<table>
<thead>
<tr>
<th>Annual Salary</th>
<th>HMO</th>
<th>PPO</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under - $60,000</td>
<td>$104.42</td>
<td>$156.34</td>
</tr>
<tr>
<td>$60,001 - $80,000</td>
<td>$120.59</td>
<td>$180.55</td>
</tr>
<tr>
<td>$80,001 - $100,000</td>
<td>$139.99</td>
<td>$209.59</td>
</tr>
<tr>
<td>$100,001 - $170,000</td>
<td>$160.03</td>
<td>$239.60</td>
</tr>
<tr>
<td>$170,001 and over</td>
<td>$179.43</td>
<td>$268.64</td>
</tr>
</tbody>
</table>

**Optional Waiver Benefit** – If a full-time employee (includes .8 FTE staff) voluntarily elects to waive health insurance due to coverage under another plan, the AAP will provide employees with payment in the amount of $100 per month for each month coverage is waived.
✓ **Dental Insurance**

Employees and dependents are eligible for coverage on the 1st day of the month following or coinciding with the employee's date of hire.

Dental insurance benefits are offered through Cigna. Employees may elect single or family coverage with either an HMO or PPO dental program. Our dental plan also includes qualified same sex and opposite sex domestic partner coverage.

Full-time and part-time employees are responsible for a portion of the premium cost. Full-time employee contributions per pay are as follows:

- Single Coverage (HMO): $1.27
- Family Coverage (HMO): $3.01
- Single Coverage (PPO): $5.27
- Family Coverage (PPO): $14.63

✓ **Vision Insurance**

Employees and dependents are eligible for coverage on the 1st day of the month following or coinciding with the employee's date of hire.

Exam and materials coverage are offered through EyeMed. Our vision plan also includes qualified same sex and opposite sex domestic partner coverage.

The Academy pays the full premium cost of an annual eye exam for full-time employees. Employees are responsible for the voluntary materials premium. Full-time employee contributions per pay are as follows:

- Single Vision: $2.24
- Family Vision: $6.48

✓ **Flexible Spending Accounts**

Employees can participate in this program immediately upon date of hire.

The AAP flexible benefits program will help employees stretch their budget for eligible out of pocket health and dependent care expenses by allowing payment for these expenses with tax-free dollars.

Employees may contribute between $200 - $2,750 to their health care account each plan year. Employees may contribute up to $5,000 to their dependent care account each plan year. Eligible health care and dependent care expenses are reimbursed on a weekly basis.

*Applicant information as of January 1, 2020.*
✓ **Life Insurance and AD&D Insurance**

Group term life insurance is available to employees immediately upon date of hire.

The benefit amount is equal to 200% of an employee's annual base salary. If death occurs as a result of an accidental injury, the designated beneficiary will receive an additional 200% of the employee's base salary.

In addition, all employees are eligible to purchase optional supplemental life insurance for themselves, a spouse, and dependent children at a group rate.

✓ **Long-Term Disability Coverage**

Employees are eligible for this benefit effective the first full day of employment.

The AAP offers long-term disability coverage to eligible employees. This benefit is offered through Unum and provides for up to 2/3 of monthly base salary, maximum $15,000 monthly, if an employee is unable to work due to a disability. An employee must satisfy a disability elimination period of 90 days to be eligible for benefit payment.

The AAP pays 90% of the premium for full-time employees. Part-time employees are responsible for 100% of the total premium.

✓ **Short-Term Disability Coverage**

Employees must have worked for the Academy for at least 6 months to be eligible for this benefit.

The AAP sponsors a short-term disability program that pays 100% of the base salary for up to 6 weeks if an eligible employee is unable to work due to a disability. An employee must satisfy a disability elimination period of 7 calendar days to be eligible for benefit payment. The benefit is limited to one incident every year.

✓ **Transit Benefit Program**

Employees can pay for transit expenses through pre-tax payroll deductions up to $270 per month, gaining tax savings annually.

Employees who utilize public transportation, carpool, vanpool, ride transit, bike or walk to work on average at least three or more days per week are eligible for the Emergency Ride Home Program. This program is designed to encourage the use of alternate transportation by providing AAP employees with travel reimbursement up to $100 per calendar year if an unexpected emergency arises while at work.

*Applicant information as of January 1, 2020.*
RETIREMENT

✓ 401(k) Plan

Securian Retirement Services manages the AAP 401(k) plan.

Employees may elect to contribute to the plan on a pre-tax or Roth post-tax basis beginning the first day of the quarter following date of hire.

The AAP 401(k) match formula is $1 for $1 on the first 3%, and an additional $.50 on the $1 on employee deferrals from 4%-6%. In addition, for Fiscal Year 19/20, the AAP may contribute a discretionary deposit at plan year-end. Employees will become eligible for employer year-end contributions on the first day of the quarter following completion of one year of service.

Employee contributions are always 100% vested. Employer contributions (matching and year-end contributions) are subject to a vesting schedule.

Plan participants may choose between 14 investment options.

✓ 403(b) Plan

Employees may elect to contribute to the 403(b) retirement plan on a tax-deferred basis immediately upon hire. There are no employer contributions to the 403(b) plan and employee contributions are always 100% vested. The 403(b) plan is managed by Principal Financial Group.

Applicant information as of January 1, 2020.
- **PAID TIME OFF**

  ✓ **Vacation**

  The AAP recognizes the positive effects of scheduled time away from work. Therefore, this policy has been established to offer employees paid time away from work for the purposes of rest and relaxation.

  Vacation time is earned on an accrual basis, with the exception of the time offered during the first year of employment. Vacation time begins accruing on the first of the month following or coinciding with an employee's hire date with the AAP. Employees accrue vacation time during one employment year, for use in the next employment year, and the accrual calculation is increased in relation to length of service. An employee's employment year is determined by their AAP hire date.

  Full-time employees are eligible for vacation accruals according to the following Vacation Accrual Schedule. An employee is considered full-time if their regular work schedule is 37.5 hours per week.

<table>
<thead>
<tr>
<th>Number of Vacation Days</th>
<th>Available for Use On</th>
</tr>
</thead>
<tbody>
<tr>
<td>12 (unaccrued)</td>
<td>First of the month following or coinciding with hire date</td>
</tr>
<tr>
<td>12 (1 day accrued per month worked)</td>
<td>First of the month following or coinciding with 1st anniversary of employment</td>
</tr>
<tr>
<td>18 (1.5 days accrued per month worked)</td>
<td>First of the month following or coinciding with 5th anniversary of employment</td>
</tr>
<tr>
<td>24 (2 days accrued per month worked)</td>
<td>First of the month following or coinciding with 10th anniversary of employment</td>
</tr>
</tbody>
</table>

  Part-time employees are eligible for vacation time based on their full-time equivalency (FTE) in relation to the calculations in the above schedule.

*Applicant information as of January 1, 2020.*
**Senior Leadership and Director Vacation Benefits**

Officer, Senior Vice President and Vice President level employees in equivalent positions are eligible for 24 days of paid vacation per employment year on the first of the month immediately following or coinciding with their AAP hire date.

Senior Directors and Directors are eligible for 18 days of paid vacation per employment year on the first of the month immediately following or coinciding with their AAP hire date.

**Recognition of Continued Service**

In appreciation of each employee’s continued years of service and on-going efforts to help achieve the AAP vision, mission, business plans and objectives, employees will receive one additional week of vacation during an employment year following the completion of 5 consecutive years of service (5, 10, 15, 20, etc), based on their AAP hire date.

*Applicant information as of January 1, 2020.*
✓ **Sick Leave**

Sick Leave may be used for an employee or immediate family member’s personal illness or medical/dental appointments.

Full-time employees are eligible to build a sick leave bank of one day for each completed month of employment. Newly hired full-time employees will receive 5 days of sick leave the first of the month following or coinciding with their hire date. Employees may use up to 5 of their earned sick leave days as paid personal leave time during a calendar year. An employees’ sick leave bank will continue to carry over at the end of each calendar year.

✓ **Parental Benefits Program**

All full-time and part-time employees regularly scheduled to work at least 20 hours per week and having six months of continuous AAP employment (based on most recent hire date) are eligible for this program.

Under this Parental Benefits Program, eligible employees will be provided with up to 12 weeks of consecutive paid parental time, for a leave following the birth of an employee’s child or the placement of a child with an employee in connection with adoption or foster care. Salary continuation payments under this program will provide 6 weeks of consecutive pay at 100% of their base salary, followed by an additional 6 weeks of consecutive pay at 50% of their base salary. Salary continuation payments under this program will be initiated once an employee starts his/her approved parental FMLA leave.

Additionally, the AAP provides adoption assistance in the form of reimbursement for qualified adoption expenses. The AAP will reimburse eligible employees up to $16,500 per adoption for qualified adoption expenses. Up to $20,000 in qualified adoption expenses will be reimbursed if multiple children are adopted simultaneously. The adoption assistance benefit has a lifetime maximum limit of $35,000.

✓ **Family Medical Leave**

Family Medical Leave is available to full-time and part-time employees immediately upon hire. Eligible employees may take up to 16 weeks of unpaid leave per 12 month rolling period for certain family and medical reasons.
✓ **Holidays**

The AAP recognizes certain days throughout the year as paid holidays for employees. These days are designated each year in the annual holiday schedule.

During the calendar year 2020, the Academy will observe the following paid holidays:

<table>
<thead>
<tr>
<th>Holiday</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Year’s Day</td>
<td>Wednesday, January 1, 2020</td>
</tr>
<tr>
<td>Martin Luther King Day</td>
<td>Monday, January 20, 2020</td>
</tr>
<tr>
<td>Presidents’ Day</td>
<td>Monday, February 17, 2020</td>
</tr>
<tr>
<td>Memorial Day</td>
<td>Monday, May 25, 2020</td>
</tr>
<tr>
<td>Day before Independence Day</td>
<td>Friday, July 3, 2020</td>
</tr>
<tr>
<td>Labor Day</td>
<td>Monday, September 7, 2020</td>
</tr>
<tr>
<td>Thanksgiving Day</td>
<td>Thursday, November 26, 2020</td>
</tr>
<tr>
<td>Day after Thanksgiving</td>
<td>Friday, November 27, 2020</td>
</tr>
<tr>
<td>Christmas Eve</td>
<td>Thursday, December 24, 2020</td>
</tr>
<tr>
<td>Christmas Day</td>
<td>Friday, December 25, 2020</td>
</tr>
</tbody>
</table>
SPECIAL BENEFITS

✓ Tuition Reimbursement

The AAP provides a Tuition Reimbursement Program to offer individuals the opportunity for enhanced professional development and growth and to provide financial support to those who have the ability and desire to progress by means of a formal education.

All full-time employees are eligible to apply for the Tuition Reimbursement Program.

✓ Pet Insurance

Pet insurance is offered through Nationwide. Employees may choose from My Pet Protection or My Pet Protection with Wellness plans. Plans are available for dogs, cats, birds, and exotic pets. Employees may add pet insurance anytime throughout the year. If an employee enrolls by the 15th of the month, pet insurance coverage will be effective the 1st of the following month. Employees pay for this benefit via after-tax payroll deduction. Premiums are based on zip code, type of pet, and number of covered pets.

✓ Employee Assistance Program

The AAP believes that it is in the best interest of the employee, the employee’s family and the AAP to provide an Employee Assistance Program (EAP) as a resource for employees seeking assistance with issues in their personal lives. The program through Workplace Solutions is also a consultation resource for managers dealing with challenging employee issues. The goal of the EAP is the resolution of personal matters that affect an employee’s health, well-being, and job performance.

✓ Working Parents Benefit Program

The AAP has developed this Working Parents Benefit in an effort to provide some financial assistance to those AAP working parents who utilize qualified child care for their children/dependents. Full-time employees must be actively employed for six months to be eligible. Benefit payments up to a maximum of $750 during each calendar year will be made to full-time employees upon submission of qualified child care expenses incurred while eligible for this program.

✓ Health and Wellness Reimbursement Program

The purpose of the Health and Wellness Reimbursement Program is to provide an opportunity for employees to participate in programs and activities that encourage a healthy lifestyle. Our goal is to support our employees’ physical, mental and social health and well-being by providing them the resources and assistance they need to actively engage in improving their own health. Eligible employees will be reimbursed 50% of the individual cost of the program(s) up to a fiscal year maximum reimbursement amount of $100.

Applicant information as of January 1, 2020.
✓ **529 College Savings Program**

529 College Savings Plans are state designated programs that allow individuals to contribute money toward future higher education expenses while receiving significant tax advantages. Earnings grow tax free from federal taxes while in the account and are also exempt from federal income taxes on qualified withdrawals. Many programs offer additional state tax benefits. The Illinois program known as Bright Start, provides additional state income tax reductions. If you are not an Illinois resident, we encourage you to explore the advantages that your own state’s program might offer by visiting www.savingforcollege.com. Employees can sign up for this benefit at any time and regular contributions can be made to the program via direct deposit.

✓ **Lactation Program**

The Lactation Program provides employees with the opportunity to continue breastfeeding by offering an on-site lactation suite, breast milk transportation reimbursement for nursing mothers traveling on AAP business, and other lactation related resources.

Employees who are currently enrolled in the AAP Lactation Program can apply for reimbursement of shipping expenses associated with expressed breast milk while on AAP business travel.

*Applicant information as of January 1, 2020.*
ADDITIONAL BENEFITS

✓ Flexible Work Hours
✓ Summer Hours Program
✓ Business Casual Dress
✓ Employee Activities
✓ On-site Fitness Center and Exercise Classes (Itasca, IL office)
✓ Compensatory Day Policy
✓ Travel Services
✓ Staff Wellness Program
✓ Employee Service Award Program
✓ On-site Cafeteria (Itasca, IL office)
✓ Employee Discount on AAP Publications, Gifts and Accessories

The AAP reserves the right to revise or cancel any program or policies at any time.