

Health Care Reform

What it Means for Disney employees and Cast Members

With the recent passage of the new Health Care Reform Law, sweeping changes to our country's health care system have been set into motion. Many of the provisions in the legislation will affect employers' benefit plans and the employees and family members covered by these plans. As a Company, we are currently reviewing the impact of the new law on our Disney health care plans and charting a course for any changes we'll need to make in the coming years.

What Will It Mean for You? Here's what we know right now:

For employees and Cast Members eligible for our Signature Benefits Plan

- Nothing happens immediately. Your 2010 health care coverage will not change as a result of this new law.
- You can continue to elect your health care coverage through Disney. We expect to maintain a competitive subsidy toward the cost of your health care coverage.
- Our Disney health care plans already comply with many of the provisions relating to preventive care, pre-existing conditions and lifetime maximums, and will be amended as necessary to meet the additional requirements of the new law.
- Beginning in 2011, you may see some changes in your health care coverage, including:
 - Coverage for adult children up to age 26, even if they are no longer students or living in the same household
 - Non-prescribed, over-the-counter drugs will no longer be eligible for reimbursement from health care flexible spending accounts
 - Value of your Disney health care coverage reported on your W-2 form
- Beginning in 2013, you may see additional changes to include:
 - \$2,500 annual limit on what you can contribute to a health care flexible spending account
 - Additional Medicare taxes imposed on earned income and net investment income for higher paid employees
- Beginning in 2014, if you have not enrolled in a Disney health plan, you will need to secure other health insurance under the new law's individual mandate.

For employees and Cast Members who are not eligible for our Signature Benefits Plan

- Beginning in 2014, if you do not have health insurance, you will need to purchase such insurance under the new law's individual mandate.
- You may be able to purchase coverage through your state's health insurance exchange.

Health care is one of the most costly and valuable benefits we provide for our employees and Cast Members. As costs continue to rise, it's more important than ever for each of us to do our part and take steps to get and stay healthier. **Together, we can make a difference.**

