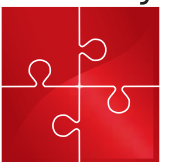


Your 2009 Newly Eligible Guide to Benefits



Guía de beneficios 2009 para nuevos miembros elegibles
Puede consultar esta guía en línea y leerla o imprimirla. Para obtener instrucciones, consulte la página 8.

JCPenney



WINNING TOGETHER®

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Your 2009 JCPenney Benefits

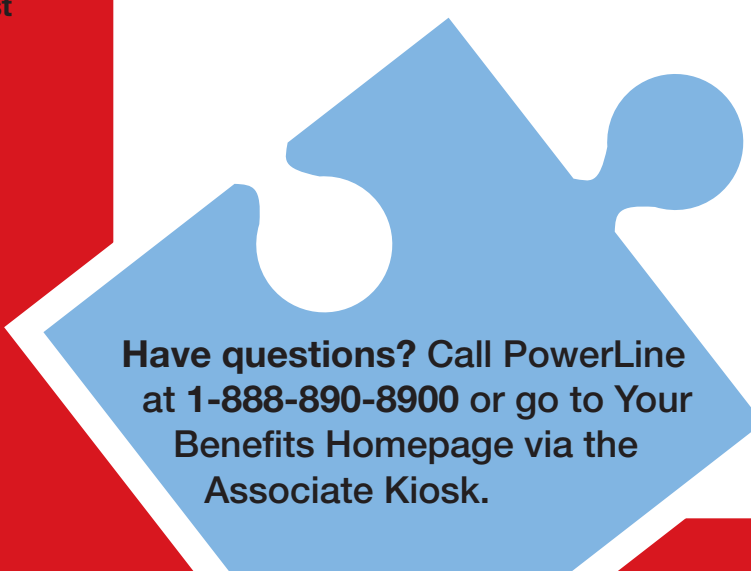
Congratulations on becoming Benefits Eligible! Over the next several weeks, you'll need to enroll in any Full-Time Benefits that you would like to select for you and your family. To learn more about your options and what you need to do to enroll, please read this packet carefully. 📄

Were you enrolled in the ABC Plans before becoming Benefits Eligible?

If your answer is yes, then it's important to note that when you become eligible for Full-Time Benefits, **you are no longer eligible for:**

- ABC Medical
- ABC Dental
- ABC Term Life/Accidental Death & Dismemberment (AD&D)

If you want Medical, Dental, Life Insurance or AD&D, you must enroll in the Full-Time benefit option for that plan.



Have questions? Call PowerLine at 1-888-890-8900 or go to Your Benefits Homepage via the Associate Kiosk.

2009 Benefit Choices At-a-Glance

Benefit Plan	Provided Through	Coverage Available	Your Choice	Who Pays	Where to Enroll
Medical (Not available to Associates in Puerto Rico or Hawaii)	CIGNA or UnitedHealthcare (depending on your state)	<ul style="list-style-type: none"> Associate Only Associate + Spouse/DP Associate + Child(ren) Associate + Family 	<ul style="list-style-type: none"> Consumer Directed Health Plan (CDHP) Preferred Provider Organization (PPO) Out of Area (OOA) – Only if you live outside a network area 	JCPenney makes a contribution toward the premium; you pay the rest before tax	Your Benefits Homepage via the Associate Kiosk
Dental (Not available to Associates in Hawaii; DMO not available in Puerto Rico)	Aetna	<ul style="list-style-type: none"> Associate Only Associate + Spouse/DP Associate + Child(ren) Associate + Family 	<ul style="list-style-type: none"> Dental Basic Dental Plus DMO 	JCPenney contributes a portion of the premium; you pay the rest before tax	Your Benefits Homepage via the Associate Kiosk
Health Care Flexible Spending Account (FSA) (Not available to Associates in Puerto Rico or Hawaii)	CIGNA or UnitedHealthcare (depending on your state)	<ul style="list-style-type: none"> Associate Only 	Contribute up to \$5,000 each calendar year to reimburse yourself for eligible healthcare expenses	You contribute dollars before tax	Your Benefits Homepage via the Associate Kiosk
Corporation-Paid Term Life Insurance (Annual Earnings for Benefits or AEB is the base amount used to calculate your coverage levels.)	MetLife	<ul style="list-style-type: none"> Associate Only 	<ul style="list-style-type: none"> Automatic benefit of 1 time your AEB Associates can also elect to decrease their Company Paid Life Insurance to \$50K in order to avoid any imputed income for tax purposes. 	JCPenney	Benefits Eligible Associates are automatically enrolled
Associate-Paid (Optional) Term Life Insurance	MetLife	<ul style="list-style-type: none"> Associate Spouse/DP Child(ren) 	<ul style="list-style-type: none"> Associate: Optional Coverage for you – 1 to 6 times your AEB (up to \$4,400,000) in addition to your Corporation-Paid Term Life Insurance Spouse/DP: Optional coverage in specified amounts ranging from \$10,000 to \$200,000 Child(ren): Optional coverage for eligible children equal to \$5,000, \$10,000, \$15,000, or \$20,000 per child 	You pay the premium after tax	Your Benefits Homepage via the Associate Kiosk
Accidental Death and Dismemberment (AD&D) Insurance	MetLife	<ul style="list-style-type: none"> Associate Spouse/DP Child(ren)/ Grandchildren <p>(Call PowerLine at 1-888-890-8900 to determine if your grandchild is eligible.)</p>	<ul style="list-style-type: none"> Associate: Optional Coverage for you – 1 to 8 times your AEB (up to 1,000,000) Spouse/DP: Optional coverage equal to your coverage (up to \$300,000) Child(ren): Optional coverage for your eligible children equal to \$25,000 per child 	You pay the premium after tax	Your Benefits Homepage via the Associate Kiosk
Disability Insurance	Liberty Mutual Group	<ul style="list-style-type: none"> Associate Only 	<ul style="list-style-type: none"> 50% Option: \$8,750 maximum monthly benefit after 180-day waiting period 60% Option: \$10,500 maximum monthly benefit after 180-day waiting period 	You pay the premium after tax	Your Benefits Homepage via the Associate Kiosk
Long Term Care (LTC) Insurance (Eligible family members can enroll, even if you don't. They have to provide Evidence of Good Health.)	CNA	<ul style="list-style-type: none"> Associate Spouse/DP Parents/Parents-in-Law Grandparents/ Grandparents-in-Law 	<ul style="list-style-type: none"> Three Daily Maximum Benefit choices of \$100, \$150 or \$200 per day Choice of either a three-year or five-year Lifetime Maximum Two inflation protection options 	You pay the premium after tax	www.ltcbenefits.com Password: JCPLTC
ABC Vision	Eyemed	<ul style="list-style-type: none"> Associate Only Associate + Spouse/DP Associate + Child(ren) Associate + Family 	You have one vision plan option	You pay the premium before tax	www.jcpabc.com
ABC Accident Insurance	HM Life Insurance Company	<ul style="list-style-type: none"> Associate Only Associate + Spouse/DP Associate + Child(ren) Associate + Family 	You have one accident plan option	You pay the premium after tax	www.jcpabc.com
ABC Critical Illness	HM Life Insurance Company	<ul style="list-style-type: none"> Associate Only Associate + Spouse/DP Associate + Child(ren) Associate + Family 	Coverage amounts of \$5,000, \$10,000, \$20,000, \$30,000, \$40,000 or \$50,000	You pay the premium after tax	www.jcpabc.com
ABC Universal Life	Transamerica Life Insurance Company	<ul style="list-style-type: none"> Associate Spouse/DP Child(ren) 	<ul style="list-style-type: none"> Associate: \$5,000, \$10,000, \$20,000, \$30,000, \$40,000, \$50,000, \$75,000 or \$100,000 Spouse/DP: \$5,000 Child(ren) 14 days or older: \$5,000 per child 	You pay the premium after tax	www.jcpabc.com

Medical

JCPenney offers two medical options to our Full-Time Associates:

- Consumer Directed Health Plan (CDHP)
- Preferred Provider Organization (PPO)

These Medical Plan options both include prescription drug coverage, wellness benefits, disease management, preventive care and a Personal Nurse program. Your Medical Plan carrier is determined by your state. Check out the chart on the following page or your personalized worksheet to determine your carrier.

*Annual Earning for Benefits (AEB)

The amount used to determine the level of certain benefits. AEB includes various pay components, such as:

- Base salary
- Commission pay
- Incentive compensation pay

AEB also excludes certain one time payments.



2009 Medical Plan Premiums

Plan/Coverage	Consumer Directed Health Plan (CDHP)	PPO and Out-of-Area
	Monthly Rate	Monthly Rate
Associate Only		
AEB* less than or equal to \$25,000	\$54	\$94
AEB \$25,001 - \$50,000	\$56	\$96
AEB greater than \$50,000	\$66	\$114
Associate + Spouse/DP		
AEB less than or equal to \$25,000	\$211	\$293
AEB \$25,001 - \$50,000	\$217	\$301
AEB greater than \$50,000	\$257	\$356
Associate + Child(ren)		
AEB less than or equal to \$25,000	\$150	\$215
AEB \$25,001 - \$50,000	\$154	\$221
AEB greater than \$50,000	\$182	\$261
Family		
AEB less than or equal to \$25,000	\$307	\$414
AEB \$25,001 - \$50,000	\$316	\$426
AEB greater than \$50,000	\$373	\$503

Personal Health Assessments (PHA) and Health Incentive Accounts (HIA)

JCPenney is committed to offering our Associates opportunities to improve their health. One important way we do this is by offering the option to take a confidential Personal Health Assessment (PHA), which is administered by WebMD. It's an easy-to-use online survey that helps you evaluate your health and spot health risks early.

When you complete the PHA during annual enrollment, you receive a \$350 incentive (Associates only) that will be placed in the Medical Plan's Health Incentive Account (HIA). Because you are not completing your PHA during Annual Enrollment, your HIA will be prorated based on your medical coverage effective date. You can use your HIA to cover out-of-pocket medical expenses for you and your dependents.

If you don't use all of the money in your HIA, any unused money will roll over at year-end and will be added to your account for next year. And you may earn another \$350 next year. This helps reduce the amount you pay for healthcare services – and saves you money!

Important Note!

If health risks are identified on your PHA or in claims data in 2009, you must participate in at least one of the recommended wellness and prevention programs by 2010 Benefits Enrollment in order to be eligible for the 2010 HIA incentive.

Consumer Directed Health Plan (CDHP)

The CDHP option encourages you to be an active healthcare consumer by giving you buying power – and an incentive to keep your healthcare costs lower.

When you choose the CDHP option, JCPenney will set up a special account for you to help pay for healthcare services before you meet your deductible. This account is called a Health Reimbursement Account (HRA). Your HRA will be set up with your Medical Plan carrier (CIGNA or UnitedHealthcare, depending on your state). The amount of money that JCPenney puts into your account is based on who you choose to cover in the plan.

You'll get:

- \$500 for Associate Only
- \$750 for You + Spouse/DP
- \$750 for You + Child(ren)
- \$1,000 for Family

Then throughout the year, your carrier will take money out of your account to pay for your healthcare services. You can also file a claim and get reimbursed for services which you may pay for out of your pocket. At the end of the year, any money left over in your HRA carries over to the following year. **So, if you're healthy throughout the year, or have very few expenses, you could have even more money in your HRA in 2010!**

This CDHP option has a higher deductible than the PPO, but many Associates choose it because the combination of lower premiums and the HRA means Associates may pay less overall for their healthcare costs.

For example:

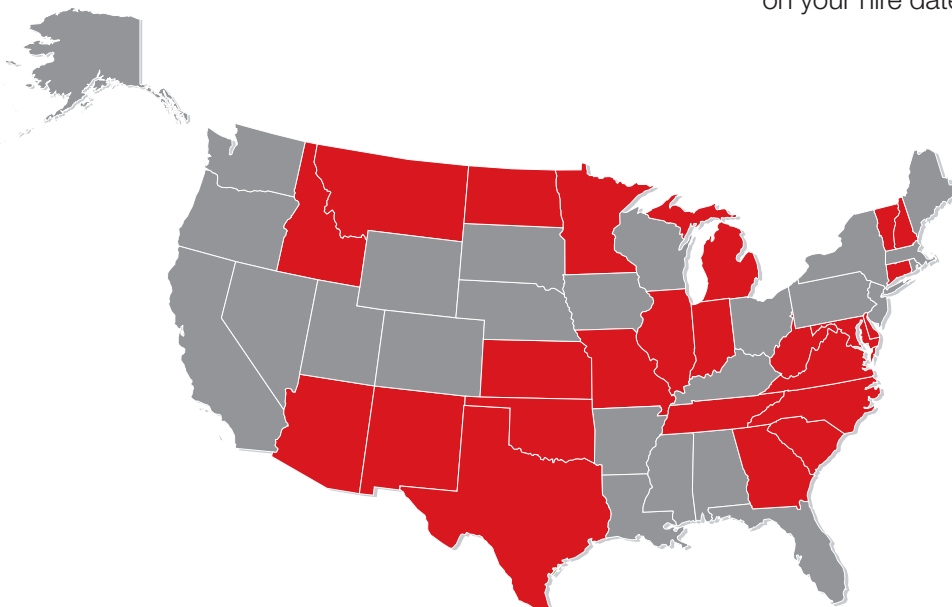
JCPenney puts money in your HIA and HRA on January 1:

- \$350 in your HIA if you complete the PHA
- \$500 in your HRA, with the amount varying based on covered family members

(Both of these amounts will be prorated depending on your hire date.)

Any unused money left in your HIA and HRA at the end of the year will roll over to next year. When your HRA and HIA are gone, then you'll meet a deductible. Expenses paid from your HRA count toward your deductible and out-of-pocket maximum.

■ UnitedHealthcare®



Are my doctors in the network?

To determine if your doctors are in a plan's network:

1. Look at your personalized worksheet or the chart on the previous page to determine your state's Medical Plan carrier — either UnitedHealthcare or CIGNA
2. Use the “Find a Physician” tool on your carrier's Web site
 - UnitedHealthcare: www.uhc.com and select “UHC Choice Plus” network
 - CIGNA: www.cigna.com and select “CIGNA Open Access Plus” network
3. Search for your doctor

Medical (continued)

The CDHP option also includes:

- A \$500 preventive care allowance for you and each of your covered dependents
- Free preventive screenings
- Up to \$350 for your Health Incentive Account (HIA)
- Access to providers in the CIGNA Open Access Plus network or UnitedHealthcare Choice Plus network (depending on your state)

Once you've met your deductible, then your expenses will be paid 80%(JCPenney)/ 20%(Associate) in-network or 60%(JCPenney)/ 40%(Associate) out-of-network. When you reach your out-of-pocket maximum, JCPenney will pay 100% for covered expenses.

How do the \$500 preventive care allowance and free preventive screenings work?

When you go to the doctor for any preventive services (i.e., have your annual physical, get your children's immunizations or get your mammogram), be sure to tell the doctor to code the services as “preventive.” When your doctor files the claim with your health carrier, it will use your \$500 preventive care allowance or free preventive screening benefit.

When you choose the CDHP option you can still see any doctor you wish. However, when you use providers in the network, you'll save money.


Preferred Provider Organization (PPO)

Like the CDHP option, the PPO option gives you access to a network of healthcare providers to choose from while also allowing you to use providers who are not in the network. However, in both plans, when you stay in-network, you save money.

The PPO option includes:

- A \$500 preventive care allowance for you and each of your covered dependents
- Free preventive screenings
- Up to \$350 for your Health Incentive Account (HIA)
- Access to providers in the CIGNA Open Access Plus network or UnitedHealthcare Choice Plus network (depending on your state)

When you see a provider, you'll pay a copay, deductible and/or coinsurance. See the chart on page 5 for more information on the PPO plan features.

If you have questions, please call PowerLine at **1-888-890-8900** or go to Your Benefits Homepage via the Associate Kiosk. 



2009 Medical Plan Highlights

	What is it?	CDHP	PPO	Out-of-Area
Annual Deductible (Note: deductible amounts have increased for 2009)	Amount you must pay before the plan covers a portion of your healthcare expenses.	Individual \$2,500 (\$2,000 after HRA) Family Maximum \$5,000 (\$4,000 after HRA)	<i>In Network:</i> Individual \$750 Family Maximum \$1,500 <i>Out-of-Network:</i> Individual \$1,500 Family Maximum \$3,000	Individual \$750 Family \$1,500
Out-of-Pocket Maximum (OOPM)	Once you reach these maximums, the JCPenney Plan pays 100% of all of your eligible healthcare expenses, up to the lifetime maximum. HRA and HIA amounts count toward this deductible.	Individual \$5,000 (\$4,500 after HRA) Family \$10,000 (\$9,000 after HRA)	<i>In Network:</i> Individual \$4,000 Family \$8,000 <i>Out-of-Network:</i> Individual \$6,000 Family \$12,000	Individual \$4,000 Family \$8,000
Coinsurance	Percentage of your healthcare expense the JCPenney Plan pays after you meet your deductible. You will pay less if you use in-network providers (20%) rather than out-of-network providers (40%).	<i>In Network:</i> Plan Pays 80% <i>Out-of-Network:</i> Plan Pays 60%	<i>In Network:</i> Plan Pays 80% <i>Out-of-Network:</i> Plan Pays 60%	Plan Pays 80%** You Pay 20%
Lifetime Maximum	This is the amount the Medical Plan will cover over your lifetime.	\$2,000,000	\$2,000,000	\$2,000,000
Health Reimbursement Account (HRA)	JCPenney funds an account to use for healthcare expenses.	You only \$500 You + Spouse/DP \$750 You + Child(ren) \$750 Family \$1,000	N/A	N/A
Health Incentive Account (HIA)	JCPenney contributes \$350 for completing your PHA; and if eligible, participating in a Healthyroads or Alere program; Associate only.	\$350	\$350	\$350
Doctor's Visit		Fees apply to: • Preventive Care Allowance (see below) • HIA or HRA • Then deductible • Then coinsurance	<i>In Network:</i> You pay \$25 copay* <i>Out-of-Network:</i> Plan pays 60% after deductible You pay 40%	Plan pays 80%** after deductible You pay 20% after deductible
Specialist's Office Visit		Fees apply to: • HIA or HRA • Then deductible • Then coinsurance	<i>In Network:</i> You pay \$35 copay* <i>Out-of-Network:</i> Plan pays 60% after deductible You pay 40%	Plan pays 80%** after deductible You pay 20% after deductible
Emergency Room	For real emergencies only.	Fees apply to: • HIA or HRA • Then deductible • Then coinsurance	\$150 copay*	Plan pays 80%** after deductible You pay 20% after deductible
Preventive Care Allowance	JCPenney provides \$500 per person to use towards preventive care – such as physicals and blood work.	\$500 per person No deductible	\$500 per person No deductible or copay	\$500 per person No deductible
Preventive Screenings	Includes preventive health care screenings such as mammograms and colonoscopies.	Paid at 100%	Paid at 100%	Paid at 100%
Outpatient Surgery, Laboratory and X-Ray	Includes diagnostic screenings.	Fees apply to: • HIA or HRA • Then deductible • Then coinsurance	<i>In Network:</i> Plan pays 80% after deductible You pay 20% <i>Out-of-Network:</i> Plan pays 60% after deductible You pay 40%	Plan pays 80%** after deductible You pay 20% after deductible
Hospital Coinsurance	Includes maternity.	Fees apply to: • HIA or HRA • Then deductible • Then coinsurance	<i>In Network:</i> Plan pays 80% after deductible You pay 20% <i>Out-of-Network:</i> Plan pays 60% after deductible You pay 40%	Plan pays 80%** after deductible You pay 20% after deductible

* Your provider may ask for copay or payment at the time services are rendered. If so, and if you have funds left in your HIA, your health plan carrier will reimburse you later.

** Of Reasonable and Customary charges.

Prescription Drug (Included in both Medical Plans)

JCPenney prescription drug benefits are the same for both the CDHP and PPO Plans.

To get the most value from our prescription drug program, use the “Price Check” tool and Home Delivery (mail order) when possible. Log on to www.express-scripts.com or call **1-800-791-8919** for more details. 📱

2009 Prescription Drug Highlights (through Express Scripts) Prescription drug benefits are the same regardless of which medical option you select

		Retail (up to 30-day supply)	Mail Order (up to 90-day supply)
Generic	Generic drugs may have names that are not familiar to you, but they are as safe and effective as their brand-name counterparts.	20% copay \$10 minimum*** \$100 maximum	20% copay \$25 minimum*** \$200 maximum
Formulary Brand	These brand-name, covered drugs are on the preferred list.	30% copay \$25 minimum*** \$100 maximum	30% copay \$50 minimum*** \$200 maximum
Non-Formulary Brand	Brand-name drugs not on the preferred list.	40% copay \$50 minimum*** \$200 maximum	40% copay \$100 minimum*** \$400 maximum

***Or actual cost if cost is less

2009 Dental Highlights

Plan Feature	Dental Basic PPO	Dental Plus PPO	DMO*
Your Monthly Premium** Associate Only Associate + Spouse/DP Associate + Child(ren) Associate + Family	\$13.00 \$31.00 \$27.00 \$42.00	\$28.00 \$65.00 \$57.00 \$92.00	\$14.00 \$33.00 \$29.00 \$46.00
Annual Deductible Per Person Family	You Pay \$50 \$150	You Pay \$50 \$150	You Pay \$0
Annual Maximum Benefit	\$1,000	\$1,500	\$1,000
Preventive Care Oral exams, cleanings, x-rays, etc.	JCP Pays 100% of reasonable and customary limits (no deductible) You Pay \$0	JCP Pays 100% of reasonable and customary limits (no deductible) You Pay \$0	JCP Pays 100% You Pay \$0
Basic Care Fillings, extractions, sealants, etc.	JCP Pays 70% of reasonable and customary limits after deductible You Pay 30%	JCP Pays 80% of reasonable and customary limits after deductible You Pay 20%	JCP Pays 100% You Pay \$0
Major Care Bridgework, crowns, inlays, etc.	Not covered; You Pay 100%	JCP Pays 50% of reasonable and customary limits after deductible You Pay 50%	JCP Pays 50% You Pay 50%
Orthodontia (for dependent children when treatment begins before age 19)	Not covered; You Pay 100%	JCP Pays 50% of reasonable and customary limits (no deductible) up to \$1,500 per person per lifetime You Pay 50%	JCP Pays 50% (no deductible) up to \$1,500 per person per lifetime You Pay 50%

* You must use an Aetna provider under the DMO. The DMO is not offered in Puerto Rico

** Dental rates shown do not apply to Hawaii

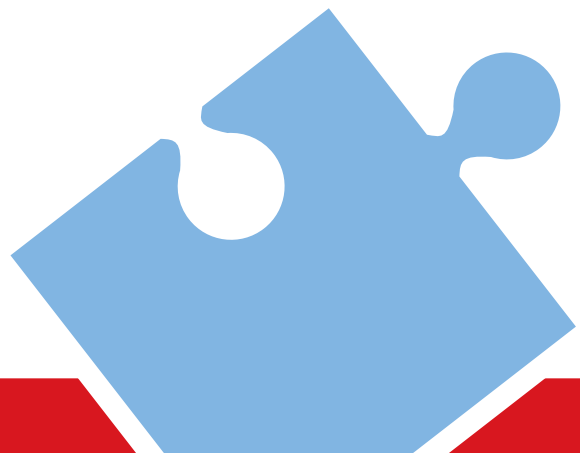
Dental

JCPenney offers up to three dental options through Aetna:

- Dental Basic PPO
- Dental Plus PPO
- Dental Maintenance Organization (DMO) – not available in all areas

Each option provides preventive and basic services through a dental network. They differ in the amount of eligible expenses they cover and how service is provided.

You can enroll in one of the Dental options even if you're not enrolled in one of the medical options. This allows Associates who need only dental coverage to get it! 📱



Associate-Paid Life Insurance

JCPenney automatically provides one times your Annual Earnings for Benefits (AEB*) for Corporation-Paid Term Life at no cost to you. You can also purchase additional life insurance coverage through MetLife for you, your Spouse/DP and/or your Child(ren).

Available coverage:

- **For You:** 1-6 times your AEB
- **For Your Spouse/DP:** \$10,000, \$25,000, \$50,000, \$75,000, \$100,000 or \$200,000*
- **For Your Child(ren):** \$5,000, \$10,000, \$15,000 or \$20,000 per child

* During initial enrollment, Associates can elect \$10,000 or \$25,000 of Spouse/DP coverage without EOGH.

Associate Coverage

Age	2009 Non-Tobacco Rate Per \$1,000 of Coverage	2009 Tobacco Rate Per \$1,000 of Coverage
Under 25	\$ 0.043	\$ 0.053
25 - 29	\$ 0.046	\$ 0.060
30 - 34	\$ 0.046	\$ 0.080
35 - 39	\$ 0.061	\$ 0.090
40 - 44	\$ 0.087	\$ 0.106
45 - 49	\$ 0.130	\$ 0.160
50 - 54	\$ 0.200	\$ 0.246
55 - 59	\$ 0.373	\$ 0.460
60 - 64	\$ 0.574	\$ 0.706
65 - 69	\$ 0.956	\$ 1.270
70 - 74	\$ 1.343	\$ 2.060
Spouse/DP Coverage		
Under 25	\$ 0.078	\$ 0.096
25 - 29	\$ 0.078	\$ 0.096
30 - 34	\$ 0.080	\$ 0.096
35 - 39	\$ 0.102	\$ 0.127
40 - 44	\$ 0.181	\$ 0.223
45 - 49	\$ 0.269	\$ 0.331
50 - 54	\$ 0.425	\$ 0.524
55 - 59	\$ 0.766	\$ 0.943
60 - 64	\$ 1.042	\$ 1.282
65 - 69	\$ 1.503	\$ 1.849
70 - 74	\$ 1.503	\$ 1.849

The amount you buy for you and your Spouse/DP varies and depends on your Annual Earnings for Benefits (AEB). You don't have to purchase coverage for yourself in order to buy coverage for your Spouse/DP or Child(ren).

Evidence of Good Health (EOGH) may be required in some circumstances. You'll be notified at the time of enrollment if you need to provide EOGH.

Evidence of Good Health (EOGH):

Also referred to as evidence of insurability, may be required before coverage is approved. EOGH includes providing a medical history questionnaire. You may also be required to have a medical exam.

The following additional **FREE** services are available if you enroll for the optional Associate-Paid Term Life:

- **Will Preparation Service** – access to a network of 9,000 attorneys through Hyatt Legal Plans
- **Beneficiary Financial Counseling** – provided to your beneficiaries if you die and are eligible for a benefit under one of the plans 📌

Designate Tobacco Use During Enrollment

If you elect Associate-Paid Life Insurance coverage for 2009 for you – and if applicable – your Spouse/DP, you will need to identify whether or not you or your Spouse/DP have used tobacco in the past 36 months.

Disability

The Disability Insurance Plan provides a monthly income if you're disabled due to an illness or injury and protects your income after Illness Recovery Time (sick time) ends. This insurance works with other sources of income you may receive while you're disabled, such as Social Security, to provide either:

- 50 percent of pre-tax income based on AEB (\$8,750 monthly maximum) or
- 60 percent of pre-tax income based on AEB (\$10,500 monthly maximum) 📌

*Annual Earning for Benefits (AEB):

The amount used to determine the level of certain benefits. AEB includes various pay components, such as:

- Base salary
- Commission pay
- Incentive compensation pay

Long Term Care (LTC) Insurance

Long Term Care Insurance can help you and your covered family members maintain your independence when you're unable to care for yourself due to serious illness or injury. Whether you need care at home or in a facility, Long Term Care Insurance will give you the support you need.

Premiums are based on your age at the time of enrollment. If you enroll when first eligible, you do not have to provide EOGH. So, consider carefully if Long Term Care coverage could be right for you. ■

How To Enroll in LTC

To enroll in Long Term Care Insurance, log on to the Web site at www.ltcbenefits.com (Password: JCPLTC) or call Long Term Care Center at 1-800-884-2841.

Accidental Death and Dismemberment (AD&D)

The AD&D Plan pays you if you or a covered family member experiences an accidental death or physical loss. You can elect:

- For you: 1-8 times your AEB
- For your Spouse/DP: equal to your coverage up to \$300,000
- For your Child(ren): \$25,000 per child

The amount of your benefit depends on your level of coverage and the type of loss. EOGH is not required under the AD&D Plan. ■

Spending Accounts

Spending Accounts help you save money on taxes by letting you pay for healthcare (through the Health Care Flexible Spending Account) or child/elder care expenses (through the Dependent Care Spending Account) with pre-tax dollars. It's important to plan

carefully and consider how much you're likely to spend on healthcare or child/elder care services for the remainder of the year. You won't be able to change your enrollment after your enrollment period ends.

Please remember that all deposits into spending accounts must be used to reimburse eligible expenses in the same calendar year. You will lose any money left in your account at the end of the year. ■

Enrolling For Your 2009 Full-Time Benefits Is Easy!

Annual Enrollment is as easy as 1-2-3. Follow these three simple steps to successfully complete your 2009 Enrollment process.

Start by accessing Your Benefits Homepage via the Associate Kiosk. If you don't have access to a computer, talk to your manager or local HR department about using one at work. If you would like to enroll from your computer at home, go to www.jcpenney.net, click on Associate Information and sign into the Associate Kiosk.

Click on the "Enroll in your Benefits" link, which will take you to a simple three step process.

Step 1: Enroll

- Click on each of the plan links to review your options. Add dependent and/or beneficiary information for each plan as necessary. You'll need the Social Security number of any dependent or beneficiary that you add.
- When you're satisfied with your choices, click "Confirm."
- The "Completed Successfully" page will show all of your covered dependents and coverage selected. Print this page and keep it for your records. You will not receive a confirmation in the mail.
- If you don't see the "Completed Successfully" page, you haven't completed your enrollment.



IMPORTANT NOTE:

The benefit elections you make now will be in effect from January 1, 2009 through December 31, 2009. You will not be able to change or drop coverage, unless you have a Qualified Change in Status. Be sure to check your pay stub after your benefits become effective to ensure that your benefits are correct. If there is any problem you must call PowerLine at 1-888-890-8900 or the ABC Service Center at 1-866-337-8417 within 30 days.


Step 2: Take the Personal Health Assessment (PHA)

- From the “Completed Successfully” page, if you enrolled in a medical option, click on Step 2: Take the Personal Health Assessment (PHA).
- Don’t forget to complete your PHA if you want to earn your HIA.
- This step will take you to the WebMD site where you’ll complete the confidential PHA by answering questions about your health, lifestyle and family history.
- Completing the PHA will take about 15 minutes. Once you complete it, print your confirmation page and keep it for your files. The PHA is also available in Spanish.
- Once you have completed your PHA, you’ll get a personalized report that will help you learn about

your health and what you can do to improve or avoid future health risks.

- Based your results, you may also be contacted regarding one of JCPenney’s FREE wellness lifestyle programs. Be sure to check out these programs! Your participation will improve your health, and will be necessary to qualify you for the HIA in the future.

Step 3: Link to ABC or CNA to review and/or enroll.

- To review your current ABC benefit elections or learn more about these benefits, log on to www.jcpabc.com.
- Simply click on a benefit to review and select coverage.
- To enroll in LTC, log on to www.ltcbenefits.com (Password: JCPLTC). 

PHA CHECKLIST

You’re probably aware that completing your Personal Health Assessment can help you earn \$350 for your Health Incentive Account. But it’s also a great way for you to identify potential health risks early – before they get serious.

To get the most out of the PHA, you should take a few minutes and gather some important information on yourself. Some of these items may require that you schedule an appointment or contact your doctor, so plan ahead to meet the deadline.

To complete your PHA successfully, you’ll need:

- Blood pressure and cholesterol levels
- Blood sugar levels
- Weight
- Family medical history

By gathering this data in advance, you’ll be fully prepared to complete your PHA, receive \$350 in your HIA and uncover any potential health risks. And remember, the information you provide to WebMD is completely confidential, so don’t hold back. It could save your life.



Be sure to enroll by the deadline on your personalized worksheet!

If you don't take action by your deadline, you will not be able to enroll until the next Annual Enrollment in fall 2009 unless you experience a Qualified Change in Status. See Your Benefits Book 1: Health and Welfare or call PowerLine at 1-888-890-8900 for a definition of Qualified Change in Status.

When Coverage Begins and Ends

Coverage Begins

As a Newly Eligible Associate, you will find your Benefits Eligible date on your Benefits Enrollment Worksheet.

Coverage Ends

Some benefits end on either the date you're no longer Benefits Eligible, your employment ends or you stop paying your share of the premiums. Others remain available even if you lose your Benefits Eligible status. You may be able to continue Long Term Care (LTC), Life and AD&D Insurance or DMO coverages under an individual policy. Check with the insurance carrier for more details.

It's your responsibility to call PowerLine when your Spouse/DP or Child(ren) are no longer eligible for benefits. You will not receive a refund for any contributions you paid after the coverage should have ended.

When You Can Make Changes

The choices you make during your enrollment period will remain in effect through December 31, 2009. Because of legal requirements, you cannot change coverage for yourself or your dependents or add/or delete dependents during the year even if you can no longer afford the benefits, unless you have a Qualified Change in Status or Special Enrollment Right. See Your Benefits Book 1: Health and Welfare or call PowerLine, at **1-888-890-8900**, if you have questions. 📞

Don't Forget – Check out your 401(k) options

Remember as you're enrolling in your other benefits that you should also consider enrolling in the 401(k) Savings Plan or adjusting your current plan elections.

All Associates 21 years or older are eligible to participate. You are also eligible for a company match after a year of service in which you worked at least 1,000 hours. JCPenney matches 50 percent up to 6 percent of your salary, which means that for every dollar you deposit up to the first six percent of pay each pay period, the Company will add 50¢ to your account.

You can start participating or change your elections by logging on to PowerLine via the Associate Kiosk, selecting Savings and Pension and clicking on the link that says "Get Plan Details, Investment Advice and Review your Account".

**If you have questions,
call PowerLine at
1-888-890-8900 or go to
Your Benefits Homepage
via the Associate
Kiosk.**