

The McGraw-Hill  
Companies

2012

Benefits Planning Guide



Live Well

# Welcome

At The McGraw-Hill Companies, your benefits are an important part of your total rewards package. This planning guide will introduce you to the plans and programs available to you and the resources you can use to make informed benefits choices.

Every day, we make important choices about our lives, our health and the health of our loved ones—lifestyle decisions, the type of health coverage we choose and the care we need in different stages of our lives. At The McGraw-Hill Companies, we view healthcare benefits as a shared responsibility. We provide you with the plans, benefits options and information you need. It's up to you to be informed about your choices so you can make the right healthcare decisions for you and your family.

The enclosed information is designed to explain the benefit programs available to you as an employee of The McGraw-Hill Companies and to help you decide which programs best meet your needs.



## **Enrollment Deadline**

**You must enroll within 30 days of your first day as an active, benefits eligible employee if you want medical, dental, or vision coverage or to open a flexible spending account for 2012.**

# Medical Coverage

Our medical options are designed to meet a range of different healthcare preferences and needs. Whatever your situation, you can find the right fit with one of the medical options.

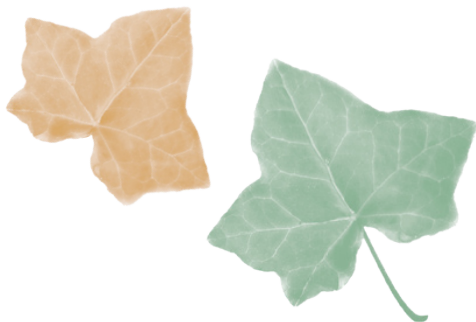
There are several common provisions among the medical options:

**UnitedHealthcare administers all McGraw-Hill medical options.** UHC offers many online tools and resources to help you manage your healthcare experience, as well as on-call member support. To learn more about UHC and the resources and services it provides, visit [www.myuhc.com](http://www.myuhc.com).

**Each medical option includes access to UHC's Choice Plus provider network.** This national network of doctors, specialists, hospitals and other providers makes it easy to find lower-cost in-network care close to where you live and work.

**Each option offers mental health and substance abuse benefits,** which are closely aligned with benefit levels for other covered medical benefits.

**Access to UnitedHealthcare's Custom Care Coordination services,** a unique blend of one-on-one counseling and resources to assist you with short-term and ongoing medical conditions.



## The Standard Option

The Standard Option provides comprehensive in- and out-of-network benefits and includes a wide range of low cost preventive and routine care services. It features a fixed copay for an in-network doctor's office visit and per prescription drug maximums. For most other in-network care, you are generally covered at 80% after you meet an in-network deductible of \$250 for employee-only coverage or \$500 if you cover yourself and any other family members. Out-of-network care is generally covered at 60%, subject to reasonable and customary (R&C) limits, after you meet a higher out-of-network annual deductible.

If you participate in the Standard Option, you can put pre-tax dollars aside in the Healthcare FSA to pay for out-of-pocket expenses over the course of the year.

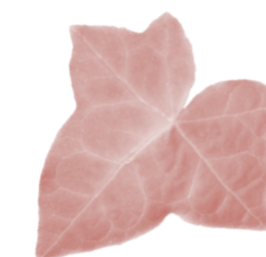
## The Health Savings Medical Account (HSA) Option

The HSA option provides preventive coverage and the opportunity to save for future healthcare expenses. It includes a high deductible, which is partially offset by a company funded Health Savings Bank Account that rolls over if you do not spend it during the year. Once you meet an in-network annual deductible of \$1,500 (if you enroll for employee-only coverage) or \$3,000 (if you enroll yourself and any family members for coverage), you are covered at 80% for most in-network care. Out-of-network care is generally covered at 60%, subject to R&C limits, after you meet a higher out-of-network annual deductible.

Unique to the HSA Option is the opportunity to establish and contribute to a Health Savings Bank Account through OptumHealth Bank. You can use this new tax-advantaged account to pay for eligible out-of-pocket healthcare expenses, including the annual deductible. For 2012, it includes quarterly contributions from McGraw-Hill, up to an annual amount of \$750 for employee-only coverage or \$1,500 if you enroll yourself and any family members for coverage. You can also contribute pre-tax dollars to the Health Savings Bank Account, up to federal limits.

# 2012 Medical Options Comparison Chart

Benefit Feature	Standard Option		HSA Option	
	In-Network <sup>1</sup>	Out-of-Network <sup>2</sup>	In-Network <sup>1</sup>	Out-of-Network <sup>2</sup>
<b>Preventive Care</b>	100% covered Deductible, coinsurance and office visit copays <b>do not</b> apply.	100% covered, subject to R&C limits Deductible and coinsurance <b>do not</b> apply.	100% covered Deductible and coinsurance <b>do not</b> apply.	100% covered, subject to R&C limits Deductible and coinsurance <b>do not</b> apply.
<b>Annual Deductible</b>	Employee-only coverage: \$250 Employee +1 coverage: \$500 Family coverage: \$500	Employee-only coverage: \$500 Employee +1 coverage: \$1,000 Family coverage: \$1,000	Employee-only coverage: \$1,500 Employee +1 coverage: \$3,000 Family coverage: \$3,000	Employee-only coverage: \$3,000 Employee +1 coverage: \$6,000 Family coverage: \$6,000
<b>Office Visits</b> (Including mental health visits)	Deductible <b>does not</b> apply. • \$15 copay for primary care and routine visits. • \$40 copay for specialist visits.	Deductible <b>does</b> apply. Then, you are covered at 60%.	Deductible <b>does</b> apply. Then, you are covered at 80%.	Deductible <b>does</b> apply. Then, you are covered at 60%.
<b>Most Other Care</b> (Including laboratory services, major diagnostic tests, surgery and hospital care)	Deductible <b>does</b> apply. Then, you are covered at 80%.	Deductible <b>does</b> apply. Then, you are covered at 60%.	Deductible <b>does</b> apply. Then, you are covered at 80%.	Deductible <b>does</b> apply. Then, you are covered at 60%.
<b>Emergency Room Visits</b>	Deductible <b>does not</b> apply. \$200 copay (waived if admitted)	Deductible <b>does not</b> apply. \$200 copay (waived if admitted)	Deductible <b>does</b> apply. Then, you are covered at 80%.	Deductible <b>does</b> apply. Then, you are covered at 80%.
<b>Prescription Drugs</b> (From a retail pharmacy and mail-order pharmacy)	Deductible <b>does not</b> apply. You pay coinsurance: • <b>Tier 1:</b> 90% • <b>Tier 2:</b> 70% • <b>Tier 3:</b> 50%  \$75 max at retail pharmacies and \$150 via mail-order	Deductible <b>does not</b> apply. You pay the full cost and file a claim for reimbursement.	Deductible <b>does</b> apply (except for certain preventive medications as classified by Medco).  You pay the full discounted cost until deductible is met. Then, you pay coinsurance: • <b>Tier 1:</b> 90% • <b>Tier 2:</b> 70% • <b>Tier 3:</b> 50%	Deductible <b>does</b> apply (except for certain preventive medications as classified by Medco).  You pay the full cost and file a claim for reimbursement.
<b>Annual Out-Of-Pocket Maximum</b>	<i>Deductible, copays and prescription drug coinsurance <b>do not</b> count towards the out-of-pocket maximum.</i>		<i>Deductible and prescription drug coinsurance amounts <b>do</b> count towards the out-of-pocket maximum.</i>	
Employee-Only Coverage	2% of your base pay, up to a maximum of \$6,000	4% of your base pay, up to a maximum of \$12,000	\$2,000	\$4,000
Employee +1 Coverage	4% of your base pay, up to a maximum of \$12,000	8% of your base pay, up to a maximum of \$24,000	\$4,000	\$8,000
Family Coverage	6% of your base pay, up to a maximum of \$18,000	12% of your base pay, up to a maximum of \$36,000	\$6,000	\$12,000



<sup>1</sup> The percentage covered is a percentage of the fee determined by UnitedHealthcare or ValueOptions to be acceptable for a procedure or service, which the provider/facility agrees to accept as payment in full.

<sup>2</sup> The percentage covered is a percentage of the amount that UnitedHealthcare or ValueOptions determines is the 90th percentile of the usual and prevailing range of payment for a specific type of service within a given geographic area (referred to as the Reasonable and Customary or R&C limit). If your provider charges more than the R&C limit, you are responsible for paying 100% of the charges billed in excess of that amount. Any expenses above the R&C limit do not count toward the annual deductible or out-of-pocket maximum.

## Health Savings Bank Account

The opportunity to establish and contribute to a Health Savings Bank Account is available when you elect the HSA Medical Option. Here’s an overview of how it works.

It begins when you establish your Health Savings Bank Account with OptumHealth Bank. This entitles you to receive quarterly contributions from McGraw-Hill during 2012, up to an annual amount of \$750 for employee-only coverage or \$1,500 if you enroll yourself and other family members in the HSA Option. You can also choose to make additional contributions to your account on a pre-tax basis, up to federal limits.

You can use the funds in your Health Savings Bank Account to pay tax-free for qualifying out-of-pocket healthcare expenses, including the annual deductible. Your account balance earns interest and the unused balance rolls over from year to year. You may also take advantage of investment opportunities available through OptumHealth Bank if your balance reaches \$2,000.

The money in your Health Savings Bank Account is yours to save and spend on eligible healthcare expenses when-

ever you need it, whether in 2012 or during a later year—even if you leave McGraw-Hill or no longer participate in a high deductible health plan (HDHP).

Your Health Savings Bank Account can be funded in two ways—with contributions from McGraw-Hill and from you, subject to federal limits. Your contributions are made on a pre-tax basis and can be increased or decreased over the course of the year. If you are age 55 or older, you are also permitted to make an additional annual “catch-up” contribution of \$1,000.

Your Health Savings Bank Account is always your personal account, and it’s portable. That means that, should your employment with McGraw-Hill end, you can continue to maintain your Health Savings Bank Account with OptumHealth Bank or transfer it to another HSA custodian. You may be able to continue to make contributions to your Health Savings Account if you enroll in another qualified high deductible health plan (or elect COBRA continuation coverage of your HDHP) after you leave McGraw-Hill.

Your HSA Bank Account can grow:	With an annual contribution for 2012 from McGraw-Hill*	With your annual before-tax contributions:	
		Up to Age 55	Age 55 and older
If you enroll in employee only coverage under the HSA option in 2012	\$750	Up to \$2,350	Up to \$3,350
If you enroll yourself and other family members under the HSA Option in 2012	\$1,500	Up to \$4,750	Up to \$5,750

\* If you are not actively employed with McGraw-Hill for all of 2012, if you lose eligibility for the HSA for any reason, or if you do not open your HSA by January 1, you will not receive the total annual McGraw-Hill contribution shown above. McGraw-Hill’s contributions will begin on the first quarter following your eligibility date.

## If You Live “Out of Area”

If you live in an area without easy access to network providers, you are eligible for the out-of-area medical option. Note that the out-of-pocket maximums in the Out-of-Area Option will mirror those in the Standard Option. More information can be found on [www.mcgrawhillbenefits.com](http://www.mcgrawhillbenefits.com).



## Evaluating Your Choices

There are many factors to consider when selecting a medical option:

**Financial:** Deductibles, copays, coinsurance rates, in-/out-of-network physician use, out-of-pocket maximum, monthly contributions, participating in either a Flexible Spending Account or establishing a Health Savings Bank Account, coverage elsewhere (e.g., spouse)

**Your and you family’s health:** Current healthcare needs and health status (good, average, poor) and future needs (scheduled surgeries, birth, etc.)

As you think about what benefits choices might be best for you, take a look at the “big picture” and not just at what you will pay for your coverage. Think about your expected needs for next year and what that means for your total out-of-pocket cost for benefits. The more informed you are about your options, the more prepared you’ll be to make the benefits selections that work best for you and your family.

# 2012 Medical Option Monthly Contribution Costs

The McGraw-Hill Companies uses six salary bands to determine employee contributions. These salary bands reflect the distribution of pay at The McGraw-Hill Companies and ensure that healthcare is affordable for everyone.

## Standard Option: Monthly Contribution Costs

Salary	Coverage Level		
	Employee-only	Employee +1	Family
<\$35,000	\$30	\$61	\$93
\$35,000 – \$54,999	\$45	\$92	\$140
\$55,000 – \$84,999	\$68	\$139	\$211
\$85,000 – \$129,999	\$92	\$189	\$285
\$130,000 – \$199,999	\$115	\$236	\$357
>\$200,000	\$137	\$281	\$425

## HSA Option: Monthly Contribution Costs

Salary	Coverage Level		
	Employee-only	Employee +1	Family
<\$35,000	\$27	\$55	\$84
\$35,000 – \$54,999	\$41	\$84	\$127
\$55,000 – \$84,999	\$62	\$127	\$192
\$85,000 – \$129,999	\$84	\$172	\$260
\$130,000 – \$199,999	\$105	\$215	\$326
>\$200,000	\$125	\$256	\$388

# Prescription Drug Coverage

Under both medical options, you pay the same percentage of the cost of each covered prescription you fill, but there are some key differences in the way each option covers prescription drug expenses.

**Under the Standard Option**, you are not required to meet the annual deductible before coverage begins. You pay coinsurance, up to the per-prescription maximum of \$75 at retail pharmacies and \$150 through the mail-order program. Your prescription drug expenses do not count toward your annual out-of-pocket maximum (OOP).

**Under the HSA Option**, the annual deductible applies before coverage for prescription drugs begins, except for certain preventive medications as classified by Medco. This means that although you can take advantage of the discounted network rate for any prescription you fill, you are responsible for 100% of that cost until the annual deductible is met. Those out-of-pocket costs are automatically applied to your annual deductible. Once you meet the deductible, you pay the coinsurance for that medication. Keep in mind that there is no per-prescription dollar maximum under the HSA Option. Your prescription drug expenses do count toward your annual OOP maximum, and are covered at 100% if you meet the annual OOP maximum.

**If, after three retail purchases – your original prescription and two refills – you continue to purchase your maintenance medications at a retail pharmacy, you’ll pay full cost.**

There are three “tiers” of benefits:

**Tier 1** includes generic drugs, and coverage is 90% (you pay 10%).

**Tier 2** includes brand-name drugs without generic or therapeutic alternatives and specialty drugs, and coverage is 70% (you pay 30%).

**Tier 3** includes brand-name drugs with generic or therapeutic alternatives, and coverage is 50% (you pay 50%).

## Make Informed Prescription Drug Choices

The decisions you make about your choice in prescription drugs could have a significant impact on your total healthcare costs.

To help you manage your prescription drug costs and make informed choices, Medco provides an online tool. To use this tool, log on to [www.medco.com](http://www.medco.com) after you enroll for medical coverage.

Medco’s “My RX choices” will show you the cost of your prescription(s) at the retail pharmacy and through mail order. You can also call Medco at 1-800-807-5607.



# Mental Health Benefits

There are two components to the Mental Health Benefits, which are administered by ValueOptions.

**The Employee Assistance Program (EAP)** is a confidential assessment and referral service designed to help you and your immediate family members resolve personal issues that may affect your health, family life, or job performance. You have access to five EAP sessions at no cost to you. EAP benefits are available to all employees of the corporation and their family members, regardless of whether

you enroll for medical coverage. You can call the EAP anytime at 1-800-544-8320, or visit the EAP online at [www.achievesolutions.net/mcgraw-hill](http://www.achievesolutions.net/mcgraw-hill).

**Additional Mental Health and Substance Abuse benefits** are available to those who enroll for medical coverage. You will receive Mental Health benefits that align with the medical option you select. You do not enroll separately for Mental Health benefits.

## Mental Health Benefits

	Standard Option		HSA Option	
	In-Network	Out-of-Network	In-Network	Out-of-Network
<b>Outpatient Therapy</b>	\$15 copay	60% after deductible	80% after deductible	60% after deductible
<b>Inpatient Mental Health</b>	80% after deductible	60% after deductible	80% after deductible	60% after deductible

# Dental Coverage

The McGraw-Hill Companies offers two dental options:

**The DMO Dental Plan** provides dental care through a network of dentists and other dental care providers. When you join the DMO, you generally must use DMO participating providers in order to receive benefits. There is no out-of-network coverage. If you enroll in the DMO and use dentists in its network, your out-of-pocket dental costs will generally be lower than under The McGraw-Hill Companies Dental Plan. For information on DMO dentists in your area, call 1-800-THE-DMO1 (1-800-843-3661) or visit [www.aetna.com](http://www.aetna.com) and select “DMO” as your plan.

**The McGraw-Hill Companies Dental Plan** is a traditional indemnity plan that reimburses a portion of your covered dental expenses after you pay an annual deductible. It includes a discount feature when you use the Dental Preferred Provider Organization (Dental PPO). Of course, you don’t have to use the Dental PPO network – with The McGraw-Hill Companies Dental Plan you always have the option to use the dentist of your choice. To find providers, visit [www.aetna.com](http://www.aetna.com) and select “Dental PPO” as your plan.

## 2012 Dental Options

Benefit Features	The DMO Dental Option*	The McGraw-Hill Companies Dental Option
<b>Out-of-Network Coverage</b>	You only receive benefits if you use DMO network	You can go to any dental care provider to receive coverage
<b>Annual Deductible</b>	No deductible	You pay \$75 deductible for each covered person (\$150 family maximum)
<b>Maximum Annual Benefit (excluding orthodontic services)</b>	None	\$1,500 per covered person
<b>Preventive Care, including:</b> Routine exams, cleanings and x-rays	Plan pays 100%	Plan pays 100% of the reasonable and customary amount, with no deductible
<b>Basic Services, including:</b> Fillings, most extractions and root canal therapy (except molars)	Plan pays 100%	Plan pays 80% of the reasonable and customary amount, after the deductible
<b>Restorative Services, including:</b> Bridges Dentures	Plan pays 60%	Plan pays 50% of the reasonable and customary amount, after the deductible
<b>Orthodontic Services</b>	Plan pays 50% and no lifetime maximum (limited to one full treatment plan per eligible member)	Plan pays 50% of the reasonable and customary amount, with no deductible (lifetime maximum of \$2,000 per eligible member)
<b>Monthly Contribution Costs</b>	Employee Only \$10 Employee +1 \$20 Family \$30	Employee Only \$17 Employee +1 \$34 Family \$51

\* To receive these benefits, dental services must be performed by a participating dentist (or dental hygienist).



# Vision Coverage

The McGraw-Hill Companies Vision Plan, administered by Vision Service Plan (VSP), helps you save money on eye care by giving you access to a nationwide network of vision care professionals. To receive these benefits, a participating eye care professional must perform vision care services.

If you choose a non-VSP provider, VSP will reimburse you up to the following amounts:

Eye exam	\$45 reimbursement
Single vision lenses	\$45 reimbursement
Bifocal lenses	\$65 reimbursement
Trifocal lenses	\$85 reimbursement
Frames	\$47 reimbursement
Elective contact lenses	\$105 reimbursement

## 2012 Vision Plan

Service	Benefit	Frequency (from your last date of service)						
<b>Exam</b> Includes tests to determine the need for corrective lenses	Paid in full	Once every calendar year						
<b>Eyeglass lenses</b> Single vision, bifocal, trifocal, or lenticular	Paid in full	Once every calendar year						
<b>Frames</b>	Covered up to \$145. If you choose a frame valued at more than \$145, the plan provides a 20% discount on the cost in excess of \$145.	Available once every other calendar year						
<b>Contact lenses</b> In place of lenses and frames	Covered up to \$145. Your allowance applies to the cost of your contact lens exam and your contact lenses. You'll receive 15% savings off the cost of your contact lens exam from a VSP doctor. Your contact lens exam is performed in addition to your routine eye exam to check for eye health risks associated with improper wearing or fitting of contacts.	Once every calendar year						
<b>Laser vision correction</b>	A discount for laser surgery when obtained through VSP-contracted doctors, surgeons, and laser centers. This program includes the two most common laser vision correction procedures, laser-assisted in-situ keratomileusis (LASIK) and photo-refractive keratectomy (PRK).	Not applicable						
<b>Monthly Contribution Costs</b>	<table border="0"> <tr> <td>Employee Only</td> <td>\$9.46</td> </tr> <tr> <td>Employee +1</td> <td>\$18.95</td> </tr> <tr> <td>Family</td> <td>\$28.42</td> </tr> </table>	Employee Only	\$9.46	Employee +1	\$18.95	Family	\$28.42	Not applicable
Employee Only	\$9.46							
Employee +1	\$18.95							
Family	\$28.42							

# Flexible Spending Accounts

Flexible Spending Accounts (FSAs) are a convenient and easy way for you to save money on many out-of-pocket healthcare and dependent care expenses.

**IMPORTANT:** The IRS requires that you forfeit any FSA money you don't use by the cut-off dates listed on Your Benefits Resources.

## Healthcare Flexible Spending Account

If you enroll in a plan other than the Health Savings Account (HSA) Medical Option, you can contribute to a Healthcare Flexible Spending Account. You can contribute up to a total of \$5,000 (or \$2,500 if married and filing jointly) to each account on a pre-tax basis. Every dollar you contribute to an FSA lowers your taxable income. That's because your contributions come out of your paycheck before federal, state and Social Security taxes are calculated. Your Healthcare FSA allows you to pay for eligible medical expenses for you and your eligible family members. Plus, you can manage both your Healthcare and Dependent Day Care FSAs online – check your balance, download claim forms and view payments – all in one place.

When you enroll during the plan year, your contributions will be prorated based on the amount of time left in the year. For example, if you are hired on July 1 and want to contribute the maximum amount, you will be able to contribute half of the annual maximum, which is \$2,500.

A wide range of healthcare expenses are eligible for reimbursement, such as:

- › Deductible, copayment and coinsurance costs
- › Prescription drugs
- › Eyeglasses
- › Medical equipment, including artificial limbs, hearing aids and wheelchairs

Visit [www.mcgrawhillbenefits.com](http://www.mcgrawhillbenefits.com) and click on Your Spending Account for a complete list of eligible expenses.

## Dependent Day Care Flexible Spending Account

The Dependent Day Care FSA allows you to pay for care of your eligible dependents, like daycare for your children and/or elders. Through the Dependent Day Care FSA, you can reduce your taxable income by contributing up to \$5,000 (or \$2,500 if married and filing jointly) for eligible child and adult day care expenses. **If you earn less than \$85,000 per year, McGraw-Hill will contribute \$1 for every \$1 you contribute to the Dependent Care FSA, up to \$1,000.**

The maximum that can be contributed to a Dependent Care FSA – including any company match – is \$5,000. For example, if you earn \$72,000 and want \$5,000 in your Dependent Care FSA, you should elect to contribute \$4,000 and McGraw-Hill will contribute \$1,000 for a total contribution of \$5,000.

## Health Savings Bank Account

The Health Savings Bank Account helps you pay for qualified current or future medical, dental, vision and prescription expenses. Your contributions, earnings, and withdrawals for qualified health care expenses are tax-free. To be eligible for the Health Savings Bank Account, you must participate in the Health Savings Account (HSA) Medical Option.

For more information, please refer back to the Health Savings Bank Account section on page 3.

## Limited Purpose Flexible Spending Account

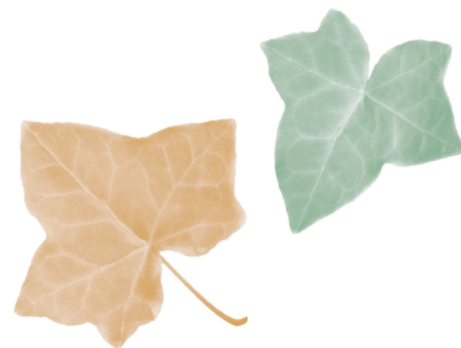
The Limited Purpose Flexible Spending Account (FSA) is a type of Flexible Spending Account used for reimbursement of qualified vision and dental expenses for you and your qualified dependents if you are enrolled in the Health Savings Account (HSA) Medical Option.

You may contribute up to \$5,000 on a pre-tax basis per calendar year (with an annual minimum of \$100). If you do not use all the pre-tax dollars in your Limited Purpose Flexible Spending Account, you forfeit the amount left over.

## Transportation Benefit

Under the Transportation Benefit, you can set aside a combination of pre- and post-tax earnings to help you reduce the cost of your daily commute.

In addition to the tax savings, you can choose to order your transit passes, railway tickets, or vouchers directly online for home delivery and pay for your coverage through convenient payroll deductions.



# Disability

Disability insurance provides you with income if you are unable to work due to an illness, injury or other disability.

The company provides two plans at no cost:

› **The Short-Term Disability Plan and**

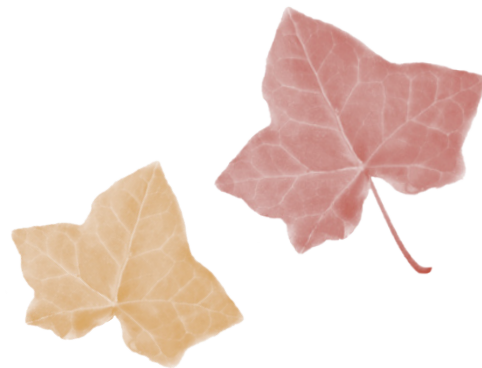
› **The Basic Long-Term Disability Plan**

**The Short-Term Disability Plan** provides a benefit that is equal to all or a percentage of your compensation which is determined by your number of years of service – for up to 26 weeks. (Workers' Compensation may provide income if an employee is disabled due to a job-related illness or injury.)

If your disability continues for more than 26 weeks, the **Basic Long-Term Disability Plan (LTD)** pays a benefit of 50% of the monthly compensation (up to a maximum monthly benefit of \$10,000) less applicable taxes.

The McGraw-Hill Companies also offers an opportunity to purchase supplemental Long-Term Disability coverage. You can purchase a combined monthly LTD benefit of 66 $\frac{2}{3}$ % of the monthly compensation, up to \$20,000 per month. In addition, the premium is based on the amount of the coverage, and the monthly contribution is \$0.225 per \$100 of the monthly compensation which is paid through after tax payroll deductions.

Proof of insurability is not required if an employee enrolls within the first 30 days of employment with The McGraw-Hill Companies.



# Life and Accident Coverage

## Life Insurance

In addition to company-provided basic life insurance coverage equal to your annual earnings (to a maximum of \$100,000), you have the option to purchase supplemental life insurance. Your supplemental life insurance options include:

**Employee supplemental life insurance** – Elect additional coverage of one to eight times your annual earnings, rounded to the next \$500, up to a maximum of \$2,500,000. If you elect coverage of one time your salary up to \$250,000, you are not required to provide evidence of insurability.

**Spousal life insurance** – Elect coverage in \$10,000 increments, up to \$250,000 or the amount of insurance you have for yourself, whichever is less. Evidence of insurability is required.

**Children’s life insurance** – Elect coverage for all your dependent children equal to \$5,000 or \$10,000 for each child. The monthly contribution is \$0.340 for \$5,000 coverage and \$0.690 for \$10,000 coverage. No evidence of insurability is required.

## Selecting a Beneficiary

Even if you don’t enroll for any supplemental life or accident coverage, it is important that you name a beneficiary for your Company-provided life and accident coverage. Your beneficiary is the person who will receive your life, travel, accident and AD&D insurance benefits if you die. When you enroll for your benefits coverage, be sure to designate your beneficiaries on

the [mcgrawhillbenefits.com](http://mcgrawhillbenefits.com) Web site. You are automatically the beneficiary for your spousal and children’s life insurance, unless your spouse elects otherwise for spousal coverage.

## Accident Insurance

**Accidental Death & Dismemberment (AD&D) Insurance** pays the full benefit amount in case of accidental death. A partial benefit is paid for certain losses under coverage. These benefits are paid in addition to benefits from the life insurance and travel accident plans. The following are options for yourself and your family:

- › **Employee AD&D** – If you are under age 70, you may elect coverage equal to one to 10 times your annual earnings, rounded to the next \$10,000, up to a maximum of \$750,000. The monthly contribution is \$0.12 for each \$10,000 of coverage.
- › **Spousal AD&D** – If you purchase AD&D coverage for yourself, you may elect coverage for your spouse – who is under age 70 – of up to \$300,000, in \$25,000 increments. Spousal coverage cannot exceed the cost of your own coverage. The monthly contribution is \$0.30 for each \$25,000 of coverage.
- › **Dependent AD&D** – If you purchase AD&D coverage for yourself, you may elect coverage equal to either \$10,000 or \$20,000 for each eligible child. The monthly contribution is \$0.12 for \$10,000 of coverage, and \$0.24 for \$20,000 of coverage.

Employee Supplemental Life Insurance Employee’s Age	2012 Monthly Contributions per \$1,000 of Coverage	Spousal Life Insurance Spouse’s Age	2012 Monthly Contributions per \$10,000 of Coverage
Under 30	\$0.050	Under 30	\$0.490
30-34	\$0.066	30-34	\$0.640
35-39	\$0.076	35-39	\$0.730
40-44	\$0.083	40-44	\$0.800
45-49	\$0.125	45-49	\$1.210
50-54	\$0.190	50-54	\$1.840
55-59	\$0.357	55-59	\$3.450
60-64	\$0.639	60-64	\$6.170
65+	\$0.830	65+	\$7.940



## Other Benefits

### 401(k)

At The McGraw-Hill Companies, we invest in your future by giving you a variety of programs, tools, and resources to use when making financial decisions. Under the **401(k) Savings and Profit Sharing Plan** of The McGraw-Hill Companies, Inc. and its Subsidiaries, eligible employees may invest up to 25% of their eligible pay up to the IRS contribution limit of \$17,000. If you are 50 years or older, then you can make additional pre-tax “catch-up” contributions that help you save even more. The company will contribute an amount equal to 100% of the first 3% of Eligible Pay you contribute each pay period as tax-deferred contributions and 50% of the next 3% of your eligible Pay that you contribute as tax-deferred contributions each pay period.

The plan also features:

- › Immediate vesting
- › A variety of investment choices
- › Online investment tools and resources

McGraw-Hill also contributes to your retirement income through profit sharing. Each year at year-end, profits permitting, McGraw-Hill makes a contribution to the Plan. The amount contributed is determined by the Board of Directors and is divided among all participants in the Plan. The portion allocated to your account depends on your eligible pay. You may receive as much as: 2.5% of your eligible pay up to the Social Security Taxable Wage Base (\$110,100 for 2012); and 5% of your eligible pay from the Social Security Taxable Wage Base up to the IRS Annual Compensation Limit (\$250,000 for 2012). For more information regarding the 401(k) Savings and Profit Sharing Plan of The McGraw-Hill Companies, Inc. and its Subsidiaries click on Your Retirement Resources under the Quick Links section of the [mcgrawhillbenefits.com](http://mcgrawhillbenefits.com) Home page.

### A Note About 401(k) Account Contributions

Within your first few weeks at The McGraw-Hill Companies, you will receive information about contributing to your 401(k) account. Once you receive this information, visit Your Retirement Resources on [www.mcgrawhillbenefits.com](http://www.mcgrawhillbenefits.com) to elect a contribution rate.

If you do not actively elect a contribution rate after 60 days, you will automatically be enrolled at a 3% pre-tax contribution rate, allocated to the Retirement Assets III fund. Please note that you will not receive the full company match through Automatic Enrollment. You only receive the full company match when you elect a contribution rate of 6% or more.

### Weight Loss and Fitness Discount Programs

McGraw-Hill offers special rates for Weight Watchers and Jenny Craig weight loss programs and 20-60% discounts off standard rates for over 1,500 fitness clubs through GlobalFit. For more information on these discounts, visit the WorkLife section that is located in the Employee Resources section of the McGraw-Hill Intranet homepage.

### WorkLife

The McGraw-Hill Companies provides you with a diverse array of resources to support you in all your roles, at every stage of your life. For more information on flexible work arrangements, family-friendly resources, discounts and events, visit the WorkLife section that is located in the Employee Resources section of the Intranet homepage.

## Auto and Homeowner's Insurance

You have access to discounted rates on property/casualty insurance – including auto, homeowner's, renter's, personal excess liability, and more – through the METPAY program. In addition to the discounts, METPAY allows you to pay for your coverage through after-tax payroll deductions, monthly deductions from your checking account, or direct billing. In most states, you receive an additional discount if you pay through payroll deductions. For more information call METPAY at 1-800-438-6381 or visit [MyBenefits.metlife.com](https://www.mylife.com/MyBenefits.metlife.com).

## Employee Stock Purchase Plan

Employees can purchase common stock of The McGraw-Hill Companies through a payroll deduction plan, with no brokerage or commission fees to the employee. To open an account, complete a Stock Purchase Plan Enrollment Form, which can be found on the Employee Resources section of the McGraw-Hill Intranet homepage. For more information, contact Computershare at 1-800-369-5807.

## Lactation Program

This program provides a wealth of resources and information, including access to free telephonic pre- and post-natal support, a \$150 subsidy towards a breast-pump and on-site lactation rooms at most major McGraw-Hill locations. This program is open to everyone including your spouse or domestic partner.

## Backup Dependent Care (child, adult, elder)

This program can help if there's an unexpected disruption in your normal care-giving arrangements for your child or adult/elder dependent family members. You have access to 15 days of low-cost backup child and elder care whether the caregiver comes to your home or you elect center-based care (child only).

## Advocacy

This service is available to employees enrolled in a McGraw-Hill medical option. It complements your medical option coverage by providing a range of services to help you navigate the healthcare system. For example, Advocacy can:

- › Assist you with billing and claim issues
- › Help you find doctors and medical institutions
- › Find alternative solutions when a service may not be covered by your health plan
- › Provide unbiased health information to help you make informed decisions
- › Provide the same assistance to your dependents, parents and parents-in-law, even if they aren't enrolled in a McGraw-Hill medical option.

For information about Advocacy and the services and support this program offers, call 1-888-622-1200.

# Accessing Your Benefits Has Never Been Easier

Once hired, you can access [mcgrawhillbenefits.com](http://mcgrawhillbenefits.com) to obtain more information about your benefits and enrolling for coverage.

[mcgrawhillbenefits.com](http://mcgrawhillbenefits.com) is the “front door” to your personalized benefits information, tools, and transactions. This secure, easy-to-use Web site is available anywhere you have an Internet connection – 24 hours a day, 365 days a year.

You’ll find your benefits information organized into three sections:

**Your Benefits Resources** – which includes health and insurance benefits and Flexible Spending Accounts

**Your Retirement Resources** – where you have access to information, tools and resources to manage your 401(k) and pension benefits

**Your Total Rewards** – that gives you a personalized snapshot of the value of all forms of your compensation

## Your Benefits Resources

Your Benefits Resources makes it easy for you to get the health and insurance benefits information you need and take action throughout the year. Here are just some of the things you can do:

- › Enroll or make benefits changes during the year when you’ve experienced a qualifying change in status, such as marriage, birth or loss of other coverage.
- › Learn about your health and insurance benefits.
- › Get details about your coverage.
- › Use tools to help you compare and choose your benefits.
- › Link directly to your medical, prescription drug, dental, vision or insurance plan’s Web site.
- › Designate or update your beneficiaries.

## Your Retirement Resources

Your Retirement Resources gives you the information, tools and resources you need to manage your 401(k) and pension benefits from The McGraw-Hill Companies.

You can:

- › Get detailed information about the 401(k) plan’s investment offerings, including performance, ranking, investment managers and composition.
- › Change your 401(k) plan investment elections and/or contribution rate.
- › Sign up for the 401(k) plan’s automatic balancing feature, to keep your investment mix in line with your investment strategy.
- › Roll over a retirement savings account balance from a former employer into The McGraw-Hill Companies 401(k) plan.
- › Project the amount of your retirement benefits using assumptions you choose.
- › Get tips about how to improve your financial future soon after you join the company.



## Your Total Rewards

Employees are The McGraw-Hill Companies' most important asset. Every employee contributes to the overall success of the organization, and in return the corporation strives to provide all employees with a fulfilling work experience and reward them for their performance and commitment.

Rewards, though, are more than a paycheck. They include health coverage, life and accident insurance, and retirement benefits. They also include flexible work arrangements, professional development and career opportunities. These benefits encompass the total rewards of employment with The McGraw-Hill Companies.

Your Total Rewards is featured on **mcgrawhillbenefits.com** where you can get a personalized, holistic view of your total compensation and benefits in one convenient location so you can make more informed decisions about what best fits your needs and the needs of your family.

## How to access mcgrawhillbenefits.com

You can access the site from the Intranet or from any computer with an Internet connection.

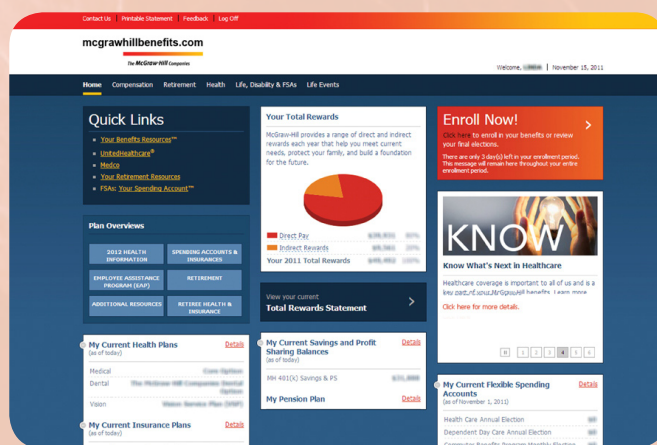
Logging on is simple.

### From The Buzz Intranet Home Page

- › Under Quick Links, click on Benefits to access **mcgrawhillbenefits.com**.
- › Enter your McGraw-Hill Intranet USER ID and password.

### From the Internet

- › Type **www.mcgrawhillbenefits.com** in the Web browser of any computer with an Internet connection.
- › Click on “Register as a New User” on the upper right hand corner.
- › You must enter the last four digits of your Social Security Number and your Date of Birth.



# Enrolling for Coverage

The choices you make now take effect retroactively to your hire date and continue until December 31, 2012.

## Have the following information available

Be sure you have the following information for each eligible dependent before you visit [www.mcgrawhillbenefits.com](http://www.mcgrawhillbenefits.com):

- › Dependent's full name
- › Dependent's Social Security Number
- › Dependent's date of birth
- › The name and identification number for the primary dentist(s) you choose for yourself and any dependents, if you select the DMO option. Dentists and identification numbers can be found by visiting [www.aetna.com](http://www.aetna.com) or by calling 1-800-645-5475.

## Want to Learn More About Your Benefits?

Use the 2012 Benefits Overview to learn more about the benefits programs available to you as an employee of The McGraw-Hill Companies. This overview can be found on the home page of [mcgrawhillbenefits.com](http://mcgrawhillbenefits.com).

## Quick Steps to Online Enrollment

Follow these quick steps to enroll online:

1. Log on to [www.mcgrawhillbenefits.com](http://www.mcgrawhillbenefits.com) and follow the prompts to verify your identity.
2. Click on "Enroll Now". This will take you to Your Benefits Resources homepage. Then, click on "Enroll Online".
3. Review your personal data and make sure it's correct. Then click "Continue" at the bottom of the screen. If you need to make any changes to your personal data, enter them on Employee Self Service (ESS) located on the McGraw-Hill Intranet or call the Human Resources Service Center (HRSC) at 1-888-843-4772.
4. Read the instructions and click on "Start Enrollment".

Be sure to print a copy of your 2012 enrollment confirmation statement for your records. This copy is proof of the coverage you elected. You won't receive additional printed communication confirming your choices.

## Make Sure Your Dependents Are Eligible for Coverage

You can cover one adult other than yourself (a spouse, civil union partner, domestic partner, or qualified adult family member) under most plans. You can also cover dependent children under the age of 26 or a child(ren) who was disabled before the age of 26, regardless of current age. All dependents must meet certain eligibility requirements and you may be required to provide documentation proving eligibility. Check the Summary Plan Description, on [www.mcgrawhillbenefits.com](http://www.mcgrawhillbenefits.com).

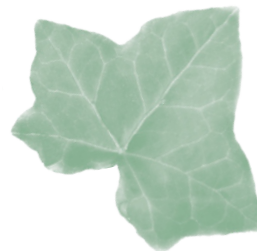
## Changing Your Coverage During the Year

The choices you make now for your medical, dental, and vision coverage and for contributions to FSAs generally stay in effect for the current year. You will have the opportunity to make new elections during Open Enrollment, which takes place during the fall. Except in a few, special cases, you cannot start healthcare coverage or an FSA after the 30-day new hire enrollment period. You can enroll for other coverages, such as life insurance and Long-term Disability, at any time, however, some of these plans have evidence of insurability requirements that may be waived if you enroll within 30 days of your first day as an eligible employee. To enroll in these plans during the year, you must call the McGraw-Hill Benefits Center at 1-866-477-6820. The most common situation that permits you to make changes is a change in family status, such as the birth or adoption of a child or getting married. Even in these situations, however, there are limits to your ability to make changes:

- › You have only 30 days after your status changes to modify your healthcare coverage and/or FSA elections.

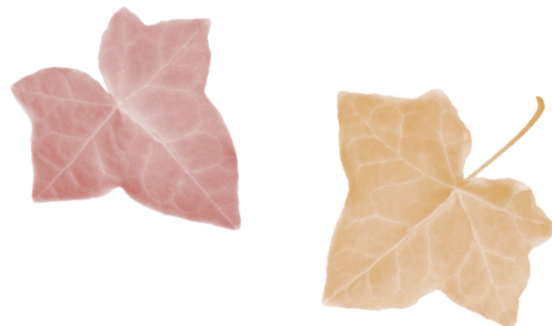
- › Any changes you make must be consistent with the actual change in your status. For example, if you get married or have a child, you can add a spouse or dependent, but you cannot change medical options; if your spouse changes jobs and enrolls in coverage with his/her new employer, you can decrease your coverage by one, but you cannot change medical options; or if you do not enroll for The McGraw-Hill Companies' healthcare benefits because you have other health insurance coverage (such as through your spouses's or domestic partner's employer) and that the other coverage ends, you may be able to enroll for the corporation's healthcare coverage.

You can change your life and accident insurance and disability coverage any time during the year. However, you must provide evidence of insurability before coverage is effective.



# Contact Information

Resource	Web Site	Telephone
<b>The McGraw-Hill Benefits Center</b> General Benefits Information	<a href="http://www.mcgrawhillbenefits.com">www.mcgrawhillbenefits.com</a>	1-866-477-6820
<b>United Healthcare</b> Medical Options and Custom Care Coordination  Limited Purpose Flexible Spending Account	<a href="http://www.myuhc.com">www.myuhc.com</a>	1-866-328-6575
<b>Medco</b> Prescription Drug Benefit	<a href="http://www.medco.com">www.medco.com</a>	1-800-807-5607
<b>Aetna</b> DMO Dental Option McGraw-Hill Dental Option	<a href="http://www.aetna.com">www.aetna.com</a>	1-800-645-5475
<b>Value Options</b>	<a href="http://www.achievesolutions.net">www.achievesolutions.net</a>	1-800-544-8320
<b>VSP</b> Vision Service Plan	<a href="http://www.vsp.com">www.vsp.com</a>	1-800-VSP-7195 (1-800-877-7195)
<b>Your Spending Account (YSA)</b> Flexible Savings Accounts and Transportation Benefits	<a href="http://www.mcgrawhillbenefits.com">www.mcgrawhillbenefits.com</a>	1-866-477-6820
<b>Optum HealthBank</b> Health Savings Bank Account	<a href="http://OptumHealthBank.com">OptumHealthBank.com</a>	1-866-234-8913
<b>The Hartford</b> Supplemental Life Insurance	<a href="http://www.TheHartfordAtWork.com">www.TheHartfordAtWork.com</a>	1-877-663-4278
<b>Liberty Mutual</b> Short- and Long-term Disability	<a href="http://www.libertymutual.com">www.libertymutual.com</a>	1-800-853-7109
<b>Advocacy</b>	<a href="http://www.mcgrawhillbenefits.com">www.mcgrawhillbenefits.com</a>	1-888-622-1200



*This document provides an overview of some of the benefits provided by The McGraw-Hill Companies, Inc. effective as of Jan. 1, 2012. Details of the benefits are contained in the various plan documents, summary plan descriptions and summaries of material modification to those plans, which are available online at [mcgrawhillbenefits.com](http://mcgrawhillbenefits.com). If there is any discrepancy between the highlights provided here and the official plan documents, the official plan documents will control. The McGraw-Hill Companies, Inc. reserves the right to make changes to or terminate any benefit plan or plans for any reason at any time.*

*The terms “you” and “your” as used in this document refer to an employee of The McGraw-Hill Companies, Inc. who meets all the eligibility and participation requirements under the applicable plan or program. This document is not a contract or offer of employment, and participation in any of the plans or programs does not guarantee employment.*



*The McGraw-Hill Companies*

The McGraw-Hill Benefits Center  
148 Princeton-Hightstown Road, S-1  
East Windsor, NJ 08520-1450

1-866-477-6820