



2010 Benefits Open Enrollment Presentation

2010 Open Enrollment Dates:
November 11 - November 25

2010 Overview

- The open enrollment period is from November 11 – November 25, 2010.
- Enrollment elections will be made through the ADP Health & Welfare system. All associates must make an election to be covered for benefits in 2010.
- The benefit plans you select during Open Enrollment will become effective on January 1, and will remain in effect for the entire 2010 calendar year.
- Unless you experience a qualified family status change. Only changes consistent with the family status change will be allowed. Qualified family status changes must be made within 31 days of the qualifying event.



Overview of 2010 Benefits Changes

Medical

- **Current limits on the number of mental health visits allowed annually for approved services are being removed.**
- **The Blue Cross group number is changing for the Direct Mail, Sales, and Marketing associate population. Associates will receive a new group number effective 1/1/2010. New identification cards will be mailed to associate homes by the end of December, 2009.**
- **Blue Cross Health Choice Savings Plan – First time enrollees in the Health Choice Savings plan will receive a one-time annual company contribution of \$500 (individual coverage) or \$1,000 (family coverage). Associates will not receive a company contribution after the first year in the plan.**
- **Non-emergency use of the emergency room will not be covered effective 1/1/2010. Emergency Room treatment is only covered if it meets Blue Cross/Blue Shields approved criteria.**

Overview of 2010 Benefits Changes

Dental

- The group number is changing for the Direct Mail, Sales and Marketing associate population. Cards indicating the proper Cigna group number will be distributed by the end of December, 2009.
- Coverage for dental implants has been added to the Basic and Buy Up plans.

Life and Disability Plans

- Sun Life will be the new carrier for the Valassis life and disability plans.



Medical Plans

Valassis offers associates several choices in medical plans.

- **Blue Cross**
 - Buy-Up PPO Plan
 - Basic PPO Plan
 - Health Choice Savings Plan

BCBS MI Buy-Up Medical Plan

Changes

- **Current limits on the number of mental health visits allowed annually for approved services are being removed.**
- **Non-emergency use of the emergency room will not be covered effective 1/1/2010. Emergency Room treatment is only covered if it meets Blue Cross approved criteria.**



The Buy-Up PPO Plan Highlights

Benefit/Service	In-Network Benefit	Out-of-Network Benefit
Deductible (what you pay before the plan starts to pay, counts toward out-of-pocket maximum)	\$ 250 Individual \$ 500 Individual +1 \$ 750 Family	\$ 500 Individual \$1,000 Individual +1 \$1,500 Family
Coverage (the percent the insurance pays after you pay your deductible)	Most Services 90% after deductible	Most Services 70% after deductible
Preventive Services	Most Services 100%	Most Services 70% after deductible
Doctor's Visits	100% after \$25 Primary Care co-pay or \$35 Specialist co-pay	70% after deductible
Emergency Room	100% after \$100 co-pay (waived if admitted) Non-Emergency treatment not covered	100% after \$100 co-pay (waived if admitted) Non-Emergency treatment not covered
Out-of-Pocket Maximum (does not include co-payments or mental health & substance abuse co-insurance)	\$1,000 Individual \$2,000 Individual +1 \$3,000 Family	\$1,500 Individual \$3,000 Individual +1 \$4,500 Family

BCBS MI Basic Medical Plan

Changes

- **Current limits on the number of mental health visits allowed annually for approved services are being removed.**
- **Non-emergency use of the emergency room will not be covered effective 1/1/2010. Emergency Room treatment is only covered if it meets Blue Cross/Blue Shields approved criteria.**



The Basic PPO Plan Highlights

Benefit/Service	In-Network Benefit	Out-of-Network Benefit
Deductible (what you pay before the plan starts to pay, counts toward out-of-pocket maximum)	\$ 750 Individual \$1,500 Individual +1 \$2,250 Family	\$1,500 Individual \$3,000 Individual +1 \$4,500 Family
Coverage (the percent the insurance pays after you pay your deductible)	Most Services 80% after deductible	Most Services 60% after deductible
Preventive Services	Most Services 100%	Most Services 60% after deductible
Doctor's Visits	100% after \$25 Primary Care co-pay or \$35 Specialist co-pay	60% after deductible
Emergency Room	80% (Emergency) Non-Emergency treatment not covered	80% (Emergency) Non-Emergency treatment not covered
Out-of-Pocket Maximum (does not include co-payments or mental health & substance abuse co-insurance)	\$2,000 Individual \$4,000 Individual +1 \$6,000 Family	\$3,000 Individual \$6,000 Individual +1 \$9,000 Family

Prescription Plan – Buy-Up & Basic Plans

Benefit/Service	Retail Benefit In-Network Coverage Only (30 day supply)	Mail Order Benefit (90 day supply)
Generic Drugs	\$10 co-pay	\$20 co-pay
Formulary Drugs (drugs on the preferred list due to higher clinical effectiveness or lower negotiated cost, see www.valassisbenefits.com for formulary list)	20% co-insurance \$25 minimum \$45 maximum	20% co-insurance \$50 minimum \$90 maximum
Non-Formulary Drugs (drugs not on the preferred list due to lower clinical effectiveness or higher negotiated cost)	30% co-insurance \$45 minimum \$65 maximum	30% co-insurance \$90 minimum \$130 maximum
Specialty Drugs	See above depending on formulary or non-formulary	30 day supply, with co-insurance adjusted to account for 30 day supply

Health Choice Savings High Deductible Health Plan

There are two parts to the Health Choice Savings Plan:

- High Deductible Health Plan
- Health Savings Account (H.S.A.)
 - In-network preventive care is covered at 100% (not subject to deductible).
 - Your remaining eligible medical expenses, including prescriptions are subject to a high deductible (in-network - \$2,000 individual, \$4,000 individual plus one and family).
 - Once deductible is met, the plan covers eligible in-network expenses, including prescriptions at 100%.
 - Important note for individual plus one and family contracts: the full deductible of \$4,000 must be met before any services are paid at 100% (other than preventive services).

Health Choice Savings Account

- **WageWorks will administer the Health Savings Account (H.S.A.)**
- **You will receive a debit card to use for eligible expenses.**
- **The H.S.A. allows you to save pre-tax for current and future medical expenses.**
- **If you plan right and put enough in your health savings account to cover your deductible, your plan expenses will be minimal.**
- **Valassis will make a contribution for first time enrollees to help you start saving:**
 - **\$500 individual; \$1,000 individual plus one and family**
- **You must set up an account with WageWorks and PNC to have both your contributions and the company's credited to you by March 31, 2010.**
- **Due to IRS regulations, funds cannot be accessed until they are deposited into your account.**

Prescription Plan – Health Choice Savings

Benefit/Service	Retail Benefit In-Network Coverage Only (30 day supply)	Mail Order Benefit (90 day supply)
Generic Drugs	100% after deductible	100% after deductible
Formulary Drugs (drugs on the preferred list due to higher clinical effectiveness or lower negotiated cost, see www.valassisbenefits.com for formulary list)	100% after deductible	100% after deductible
Non-Formulary Drugs (drugs not on the preferred list due to lower clinical effectiveness or higher negotiated cost)	100% after deductible	100% after deductible
Specialty Drugs	100% after deductible	Benefit provided through Option Care with a 30 day supply limit and adjusted co-pays

Health Choice Savings Account

- The actual bank account is with PNC.
- The balance in your account earns interest.
- Once you have \$1,000 in your account, if you choose, you can invest the money in a number of investments, such as money market, bond funds, and stock funds through PNC.
- The account is used like a flexible spending account for eligible medical expenses.
- Your H.S.A. goes with you no matter where you go:
 - You don't have to be enrolled in a high deductible health plan to withdraw money from H.S.A.
 - You can use H.S.A. even when you switch employers or retire.

Health Choice Savings Account

- If you withdraw money and do not use it for medical expenses, you are subject to a 10% tax penalty plus normal taxation as per IRS regulations.
- You can also set up a Limited Purpose Flexible Spending Account (F.S.A) for dental and vision expenses only. This balance must be used by December 31 of each year and is not portable; however, it allows for additional pre-tax savings for eligible expenses.
- If you have a 2009 Health Care Flexible Spending Account, you must use all of your funds no later than December 31, 2009 in order to be eligible to make contributions to your HSA account.
- Go to www.wageworks.com/hsasavingscalculator.com to estimate your qualified medical expenses and determine how much you may want to put in your H.S.A. account.

Health Savings Account 2010 Maximum Contribution Limits

Description	Individual	Individual Plus One and Family
Total Maximum Contribution	\$3,050	\$6,150
Catch-Up Contribution (if 55 before the end of the plan year)	\$1,000	\$1,000
Company Contribution for new enrollees only)	\$ 500	\$1,000
First time enrollee Maximum Associate Contribution	\$2,550	\$5,150
<p>For additional information on the Health Choice Savings plan visit www.valassisbenefits.com to listen to a recorded webinar</p>		

Medical Contributions

Valassis' goal is to use benchmark information for in setting our associate contributions.

- **In 2010, Valassis hourly and salaried associates will pay \$3,253 annually for family coverage under the buy-up plan.**
- **Associates at other companies our size will pay \$3,470 annually for family coverage.**
- **Directors and above, sales associates making over \$100,000, and part-time associates will continue to contribute more to the cost of insurance.**

Source: Kaiser Family Foundation 2009 Annual Survey of Employer-Sponsored Health Plans

Medical Contributions (Monthly)

Plan	Level	2009 Cost	2010 Cost	Increase
Buy-Up	Individual	\$ 71.57	\$77.23	\$5.66
	Individual + 1	\$181.87	\$217.20	\$35.33
	Family	\$227.74	\$271.06	\$43.32
Basic Plan	Individual	\$ 54.45	\$60.98	\$6.53
	Individual + 1	\$126.33	\$141.49	\$15.16
	Family	\$163.34	\$182.84	\$19.50
Health Choice Savings	Individual	\$ 31.60	\$35.12	\$3.52
	Individual + 1	\$100.99	\$122.47	\$21.48
	Family	\$130.68	\$157.38	\$26.70

Emergency Room Treatment

What is Covered?

ER treatment is only covered if it is an accidental injury or medical emergency and meets Blue Cross approved criteria.

Accidental injury

Any physical damage caused by an action, object or substance outside the body. This may include:

- Allergic reactions (e.g., bee stings, insect bites)
- Attempted suicide
- Bruises, burns or cuts
- Drug overdose
- Frostbite
- Poisoning
- Strains or sprains
- Sunburn or sunstroke
- Toxic inhalation (e.g., carbon monoxide, fumes, smoke)



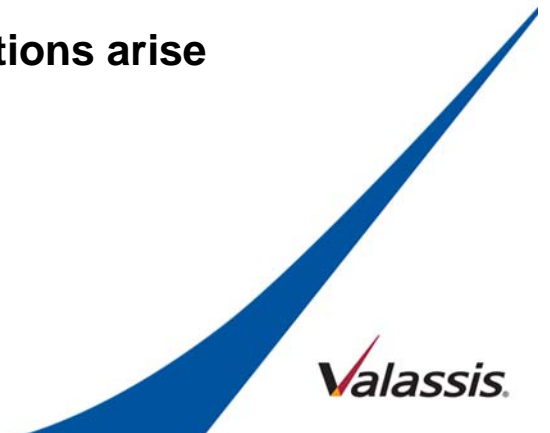
Emergency Room Treatment

Medical Emergency

- A condition that occurs suddenly and unexpectedly, and could result in serious bodily harm or threaten life, if not treated immediately. This includes:
- Bleeding (severe)
- Chest pain (severe)
- Convulsion or seizure

Avoiding the Emergency Room

- Never assume all medical conditions require immediate attention (e.g., low back pain, sore throat)
- Blue Cross 24 Hour Nurseline (800) 775-2583 is available to help you make a determination for the type of care that is needed
- Utilize Urgent Care Centers
- Make sure that you have a Doctor before emergency situations arise



Blue Cross Website

www.HCBO.com

- Use the cost estimator (Coverage Advisor) to help you determine which medical plan is right for you.
- Review claims information.
- Complete a health risk assessment.
- Get information on specific medical conditions.
- Review your prescription, side effects and possible drug interactions and look at lower cost alternatives.
- Find an in-network provider.



Dependent Eligibility Requirements

- Your spouse, civil union partner and qualified domestic partner (see Valassis Domestic Partner Declaration on www.valassisbenefits.com for requirements)
- Your unmarried children under age 19
- Your unmarried children from age 19 to 25 if they are full-time students and depend on you for primary support
- Children who become mentally or physically dependent before reaching the maximum age of eligibility noted above, if they depend on you for support and maintenance
- Children include your natural children, legally adopted children, stepchildren and children you support who live with you in a parent-child relationship (must be supported by a legal guardianship)

Dependent Audit

- **We will be randomly auditing associates to ensure their dependents are eligible.**
- **As part of the audit, you will be required to provide marriage, birth, adoption or legal guardian certificates, student verification and/or tax records to show proof of eligibility.**
- **All new hires and associates with life status events will need to provide this documentation.**
- **If you have questions about whether or not a dependent is eligible, contact your HR Representative (Valassis Communications and NCH) or the Associate Resource Center (Valassis Direct Mail and Sales and Marketing) at 1-877-238-6847.**
- **If an ineligible dependent is discovered during the audit process, you will have to pay back any claims cost incurred and you may be subject to disciplinary action, up to and including termination.**

Dental Plans

- **Full-time and eligible part-time associates can participate, contributions will differ based on status.**
- **Cigna Dental Plans**
 - **Basic PPO Plan**
 - **Buy-Up PPO Plan**
 - **DMO Plan**
 - **Those choosing the DMO plan must choose a DMO dentist and receive all services from that dentist (or coordinated by that dentist)**
 - **Available in most areas of the country**

Cigna Dental Plans

- Coverage for implants has been added to the Basic and Buy-Up plans

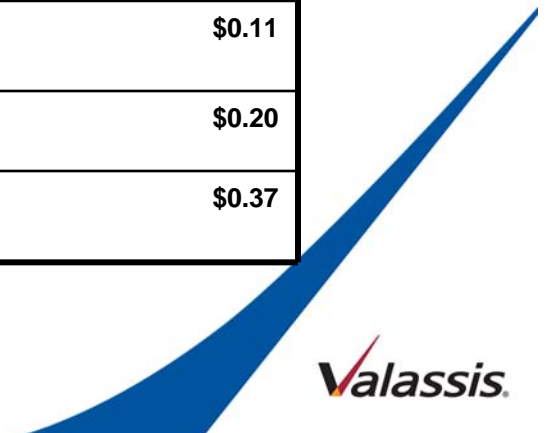
Benefit	Basic Plan	Buy-Up Plan	DMO
Deductible	\$50 Individual \$150 Family	\$50 Individual \$150 Family	N/A
Annual Benefit Max	\$1,000	\$1,500	N/A
Preventive Services	100% not subject to deductible	100% not subject to deductible	Most services - 100%
Basic Services	50% after deductible	80% after deductible	For detailed information by service, see the schedule at www.valassisbenefits.com
Major Services	50% after deductible	50% after deductible; some covered at 80%	
Orthodontia	Not Covered	Children and adults covered; 50% up to \$1,500 life-time max	Children and adults covered; Scheduled benefit

Cigna Dental Plans

- Review your claims, get pre-treatment estimate forms, educational material and much, much more on myCigna.com.

Monthly Contributions for Buy-Up and Basic Plans

Plan	Level	2009 Cost	2010 Cost	Difference
Buy-Up	Individual	\$ 14.24	\$15.50	\$1.26
	Individual + 1	\$ 27.03	\$29.43	\$2.40
	Family	\$ 46.93	\$51.10	\$4.17
Basic Plan	Individual	\$ 6.20	\$6.73	\$0.53
	Individual + 1	\$ 11.76	\$12.76	\$1.00
	Family	\$ 20.44	\$22.17	\$1.73
DMO Plan	Individual	\$2.80	\$2.91	\$0.11
	Individual + 1	\$4.87	\$5.07	\$0.20
	Family	\$8.70	\$9.07	\$0.37



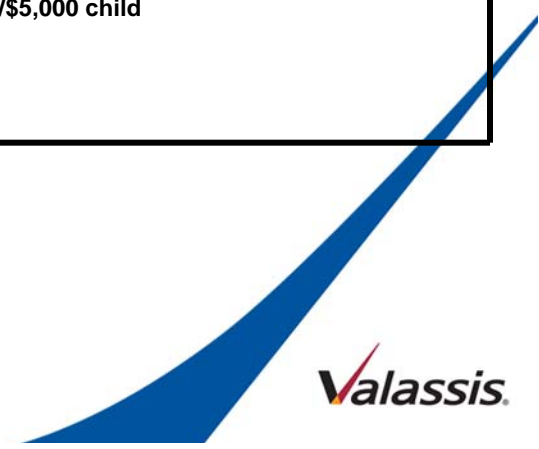
EyeMed/Lenscrafters Vision

- There is no change in plan design or premiums for 2010

Service/Benefit	In-Network Benefits	Out-of-Network Allowance
Eye Exams	\$10 co-pay	Up to \$40 allowance
Frames	\$0 co-pay \$130 allowance 20% off balance	Up to \$65 allowance
Standard Plastic Lenses	\$10 co-pay single vision \$10 co-pay bifocal \$10 co-pay trifocal	Up to \$25 single vision allowance Up to \$40 bifocal allowance Up to \$55 trifocal allowance
Conventional Contact Lenses	\$0 co-pay, \$125 allowance, 15% off balance	Up to \$100 allowance
Disposable Contact Lenses	\$0 co-pay, \$125 allowance	Up to \$100 allowance

Life Insurance and AD&D

Benefit	Full-Time Associates	Eligible Part-Time Associates
Basic Life Insurance	Company-Provided 1.5 times salary \$500,000 maximum benefit	Company-Provided \$25,000 benefit
Accidental Death/ Dismemberment (AD&D)	Company-Provided 1.5 times salary \$500,000 maximum benefit	Company-Provided \$25,000 benefit
Voluntary Life	Associate-Paid 1, 2, 3, 4 or 5 times salary available \$1,000,000 maximum benefit Amounts over 3X salary or \$400,000 require evidence of insurability	Associate-Paid \$25,000 or \$50,000 options available
Dependent Life	Choice of 3 plan options \$50,000 spouse/\$10,000 child \$30,000 spouse/\$10,000 child \$10,000 spouse/\$5,000 child	Choice of 3 plan options \$50,000 spouse/\$10,000 child \$30,000 spouse/\$10,000 child \$10,000 spouse/\$5,000 child



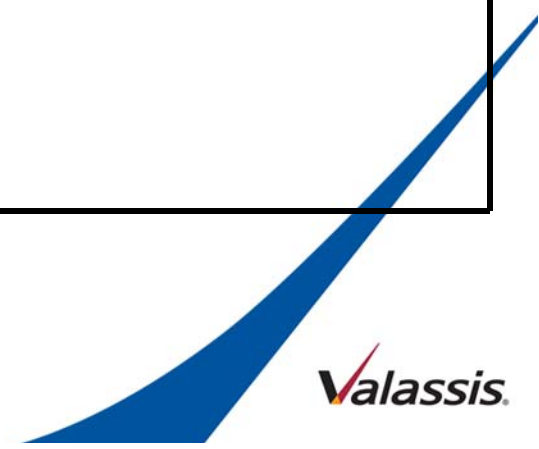
Life Insurance and AD&D

- Sun Life will be the new carrier for the Valassis life and disability plans.
- Basic life and AD&D coverage are provided at not cost and are bundled (if you elect basic, AD&D is automatically included).
- You can waive basic and AD&D coverage.
 - Avoids taxation of basic life benefit over \$50,000, most people do not waive this benefit as the taxation is minimal
 - No credit for waiving
- At age 70, basic, AD&D and voluntary life insurance benefits are reduced to 65% of the full coverage and at age 75, to 50% of the full coverage
- Evidence of insurability (EOI) requirements for life insurance plans:
 - Can increase current coverage during open enrollment and life status events by one level without evidence of insurability
 - EOI required for voluntary life plan if benefit exceeds 3X salary or \$400,000
 - EOI required for basic life plan if benefit exceeds \$500,000

Disability Insurance

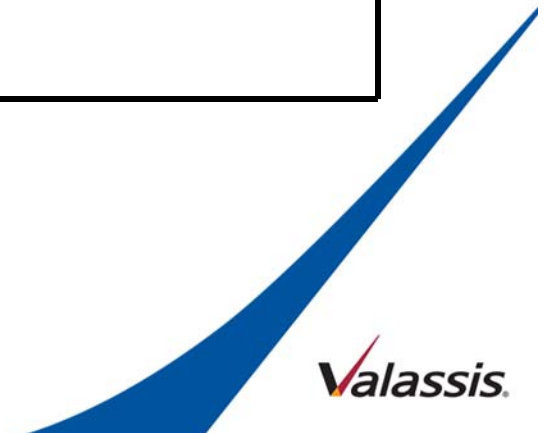
- Sun Life will be the new carrier for the Valassis life plans.

Benefit	Full-Time Salaried Associates	Full-Time Hourly Associates
Short Term Disability	<p>Company-Provided Benefits is 66 2/3% of pay \$2,000 a week maximum benefit 15 day waiting period 26 week benefit maximum (1st 2 weeks are waiting period)</p>	<p>Company-Provided Benefits is 66 2/3% of pay \$2,000 a week maximum benefit 15 day waiting period 26 week benefit maximum (1st 2 weeks are waiting period)</p>
Long Term Disability	<p>Company-Provided Benefit is 60% of pay \$10,000 a month maximum benefit Pays after 6 months of disability Pays until Social Security Retirement Date</p>	<p>Company-Provided Benefit is 60% of pay \$10,000 a month maximum benefit Pays after 6 months of disability Pays 5 Year maximum benefit</p>



Flexible Spending Accounts

Benefit	Full-Time and Part-time Benefits-Eligible Associates
<p>Health Care Spending Account</p>	<p>\$52/year minimum \$3,500/year maximum</p> <p>If enroll in Health Choice Savings Plan, can elect Limited Purpose FSA for dental and vision expenses only. Calendar year plan with no 2 ½ month extension due to IRS regulations</p>
<p>Dependent Care Spending Account</p>	<p>\$52/year minimum \$5,000/year maximum (includes the company match)</p> <p>Up to \$600/year company match if employment date is prior to 10/1/09</p>



Flexible Spending Accounts

- Remember, you have until March 15, 2010 to incur expenses. If you don't exhaust your balance before the end of the extension period, you will not be reimbursed. You have until April 30 to submit your expenses for reimbursement.
- See www.valassisbenefits.com for qualified expenses.
- If you need to order additional cards, you can order them on www.wageworks.com.
- Please review your statements carefully to determine if WageWorks needs receipts to substantiate debit card transactions. If your account balance is at 75% of your total annual election and WageWorks is waiting for receipts, you cannot use your card or receive payment until you provide the receipts to WageWorks.



Retirement Savings Plan – Profit Sharing

- **Profit Sharing Contribution - Target benefit may be provided annually based on the company's performance target.**
- **All associates employed by Valassis on 12/31 of each year are eligible for the profit sharing contribution, as long as they have been employed more than one year and have worked a minimum of 1,000 hours in the plan year. Contributions are usually credited at the end of February following the plan year.**
- **Associates are not required to make 401(k) contributions to be eligible for the profit sharing contributions.**
- **All employer contributions to this plan are 100% vested after five years of service (20% vesting per year of service). Original service dates with subsidiary employers are recognized.**

Retirement Savings Plan

- A variety of investment options, including a core line-up of mutual funds, a stable asset fund, a company stock fund, and a self-directed brokerage option are being offered.
- For those individuals needing help in diversifying their account, age-based retirement funds or the JPMorgan SmartRetirement funds are also an option. You simply pick a fund that most closely matches the year in which you plan to start withdrawing your retirement money.
- The Plan also offers help for investing in these turbulent economic times. You can utilize the powerful, professional third party advice services offered in the plan:
 - Personal On-Line Advisor (No Cost)
 - Personal Asset Manager
 - Go to www.retireonline.com or call 1-800-345-2345 for more information.
- The Valassis Employees' Retirement Savings Plan will accept rollovers from other qualified employer plans.

Retirement Savings Plan – 401(k)

- Associate pre-tax contributions and Roth 401(k) after-tax contributions can be made.
- Roth 401(k) contributions and earnings are not taxed when a qualified distribution is taken.
- Total of \$16,500 in pre-tax and Roth after-tax contributions are allowed for calendar year 2010.
- Total is increased by \$5,500 to \$22,000 (for 2010) for those associates 50 or over to allow for catch-up contributions.
- You can contribute between 1% and 50% of pay.
- You are always 100% vested in your 401(k) contributions.
- In-service withdrawals available (with certain restrictions), loans and hardship withdrawals are also available.
- Can begin contributing first of month after hire.

Purchased Vacation

- Salaried full-time associates are eligible.
- You can purchase from 2 – 5 days depending on years of service and vacation accrual.
- If you are purchasing vacation for the 2010 plan year you must obtain approval from your leader.
 - Forms are available at www.valassisbenefits.com
 - Approved forms need to be submitted to your local HR representative or to the Associate Resource Center (ARC) for Shared Mail, Marketing, and Sales Associates.
 - An approved form must be submitted in order to take purchased vacation
- The cost is based on your October 1 benefit base rate (for sales reps, the average of your last 2 full years commission is added to base salary).
- If you terminate, you will be paid out accrued, unused time.
- No changes can be made to election mid-year.

Don't Forget these Benefits!

- Employee assistance services are available through LifeWorks, visit www.lifeworks.com or call 1-888-267-8126
 - Parenting Resources
 - Marriage and Family Resources
 - Legal/Financial Resources
 - Caring for the Elderly
 - Dependent and Elder Care Referral Services
- Gain access to a local network of attorneys by electing Met Law/Hyatt legal plan. Visit www.legalplans.com for information on services covered.
- Purchase voluntary benefits and receive discounts on products and services you purchase everyday at www.beneplace.com
- Commuter benefits allow you to pay for eligible commuting expenses with pre-tax dollars. Visit www.getwageworks.com/valassis for more information.
- Adoption Assistance

Open Enrollment Next Steps

- **Open Enrollment Kits – will be mailed to your home during the week of November 9.**
- **You must make elections no later than November 25th in order to be covered for benefits for 2010**
- **You have three enrollment options:**
 - 1. Enroll online at www.valassisbenefits.com.**
 - 2. Contact the ADP service center at 1-877-4VCI-BEN to enroll via telephone.**
 - 3. Ward Services Enrollment (Shared Mail Associates)**
 - **Call 1-800-673-6472 to speak to an enrollment counselor (Spanish-speaking representatives are available).**
 - **Meet with an enrollment counselor at your branch location (Spanish-speaking representatives are available).**
- **A raffle awarding a Sony Portable DVD player and ten \$10 gift cards will be held for associates completing their elections by November 25th.**

Open Enrollment Next Steps

- **Payroll Deductions – the first 2010 payroll deductions will come out of associates checks on January 7.**
- **Read your open enrollment brochure and visit www.valassisbenefits.com for more detailed information on all benefit plans.**
- **If you are a new hire you will be asked to enroll first for your 2009 benefits and then enroll for 2010.**
- **Questions? – Your local human resources representative or contact the Associate Resource Center at 1-877-238-6847.**