SUMMARY ANNUAL REPORT

For Baylor Welfare Benefit and Health Care Benefit Plan

This is a summary of the annual report of the Baylor Welfare Benefit and Health Care Benefit Plan, EIN 75-1812652, Plan No. 508, health, life insurance, dental, vision, temporary disability, long-term disability, legal and employee assistance program for period January 1, 2015 through December 31, 2015. The annual report has been filed with the Employee Benefits Security Administration, U.S. Department of Labor, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

Baylor Health Care System has committed itself to provide certain dental benefits, short-term disability benefits, and health benefits incurred under the terms of the plan.

Insurance Information

The plan has contracts with the following insurers:

- Aetna Life Insurance Co., to provide certain dental benefits, long-term disability benefits, and life and accidental death & dismemberment benefits;
- Beacon Health Options, to provide employee assistance benefits; and
- SuperiorVision, to provide vision benefits.
- Hyatt Legal to provide legal services.

The total premiums paid for the plan year ending December 31, 2015 were $11,226,000.

Basic Financial Statement

The value of plan assets, after subtracting liabilities of the plan, was $8,940,000 as of December 31, 2015, compared to $8,981,000 as of January 1, 2015. During the plan year the plan experienced a decrease in its net assets of $41,000. This decrease includes unrealized appreciation and depreciation in the value of plan assets; that is, the difference between the value of the plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. During the plan year, the plan had total income of $234,818,000, including employer contributions of $136,006,000, employee contributions of $90,012,000 and other income of $8,800,000.

Plan expenses were $234,858,000. These expenses included $13,807,000 in administrative expenses, and $209,825,000 in benefits paid to participants and beneficiaries.

Your Rights to Additional Information

You have the right to receive a copy of the full annual report, or any part thereof, on request. The items listed below are included in that report:

- an accountant's report;
- financial information;
- assets held for investment;
- fiduciary information, including non-exempt transactions between the plan and parties-in-interest (that is, persons who have certain relationships with the plan);
- loans or other obligations in default or classified as uncollectible;
- leases in default or classified as uncollectible;
- transactions in excess of 5% of the plan assets;
- insurance information, including sales commissions paid by insurance carriers; and
• information regarding any common or collective trusts, pooled separate accounts, master trusts or 103-12 investment entities in which the plan participates.

To obtain a copy of the full annual report, or any part thereof, write or call the office of Baylor Health Care System, who is the plan administrator, at 440 Lyndon B. Johnson Freeway, Plaza II, Suite 225, Irving, TX 75063, or by telephone at (972) 785-5905. There is no charge for a copy of the full annual report or any part thereof.

You also have the right to receive from the plan administrator, on request and at no charge, a statement of the assets and liabilities of the plan and accompanying notes, or a statement of income and expenses of the plan and accompanying notes, or both. If you request a copy of the full annual report from the plan administrator, these two statements and accompanying notes will be included as part of that report.

You also have the legally protected right to examine the annual report at the main office of the plan (Baylor Health Care System, 440 Lyndon B. Johnson Freeway, Plaza II, Suite 225, Irving, TX 75063) and at the U.S. Department of Labor in Washington, D.C., or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure Room, Room N-1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.