Income Security + **Healthcare Security** = Retirement Readiness
What’s New In 2015

- The Traditional Choice Plan will be discontinued

- **A new, significantly enhanced Medicare Advantage Plan** will replace Traditional Choice

- The national rates for the Medicare Advantage Plans and the SRM Plans will have **no premium rate increase**

- **Online insurance enrollment** option will be available

---

Emeriti’s annual enrollment dates:
Monday, November 10th through Monday, December 8th, 2014.
Why We Discontinued Traditional Choice

• 20% increase in national premium rates

• Unsustainable over the long-term

• Identified a comparable plan

• 16.2 million retirees have chosen Medicare Advantage plans

• Emeriti’s enhanced Medicare Advantage plan has a 4.5 Star rating, the highest rating among national carriers
How Medicare Advantage Works

- Provides Medicare Parts A & B benefits (Aetna is primary)
- One plan. One card.
- Ongoing support for health and wellness
- Extra benefits at no additional cost

NOTE: Participants always pay the Medicare Part B premium.
Aetna Medicare Advantage PPO ESA for All Plan

*Replaces Original Medicare – Aetna is Primary*

- No network requirements
- No plan deductible
- No Parts A & B deductibles
- $15 copays for primary care and specialist office visits
- Inpatient hospitalization covered 100% by the Plan
- Preventive care covered 100% by the Plan
- $2,000 out-of-pocket limit

**NOTE:** Participants always pay the Medicare Part B premium.
Aetna Medicare Advantage PPO & PPO ESA Plans

Replaces Original Medicare – Aetna is Primary

- In- and out-of-network coverage
- No plan deductible
- No Parts A & B deductibles
- Plus Plan has coinsurance, Standard Plan has copayments and coinsurance
- Inpatient hospitalization:
  - $500 copay for Plus Plan
  - $200 per day for days 1-7 in Standard Plan
- Preventive care covered 100% by the Plan

NOTE: Participants always pay the Medicare Part B premium.
Medicare Advantage Plans Offer Additional Coverage

Annual eye and hearing exams at no extra cost

Discounts for eyewear and reimbursements for hearing aids

Unlimited coverage for inpatient hospital days

Foreign travel emergency medical coverage

Low plan premiums, depending on where you live

Advocacy for health and wellness. A highly skilled Aetna nurse case manager can help you and your family:

• Understand your doctor’s instructions
• Access services and support you may need
• Coordinate your care

• Silver & Fit® Exercise & Healthy Aging Program
  • Access to over 10,000 fitness clubs and exercise centers
  • Engage online and through educational materials
Aetna Supplemental Retiree Medical Plans K and L

Supplements original Medicare – Medicare is Primary

• No network requirements
• No plan deductible
• Coinsurance on some services
• You pay a portion of Part A deductible
• You pay all of the Part B deductible
• Preventive services covered 100% by Medicare

NOTE: Participants always pay the Medicare Part B premium.
# 2015 Emeriti Medical Insurance Plans

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Deductible</td>
<td>$0 in- and out-of-network</td>
<td>$0 in- and out-of-network</td>
<td>$0 in- and out-of-network</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Primary care</td>
<td>$15 copay *</td>
<td>15% coinsurance (in-network)</td>
<td>25% (out-of-network)</td>
<td>25% coinsurance</td>
<td>50% coinsurance</td>
</tr>
<tr>
<td>Specialist</td>
<td>$15 copay *</td>
<td>15% coinsurance (in-network)</td>
<td>30% coinsurance (out-of-network)</td>
<td>25% coinsurance</td>
<td>50% coinsurance</td>
</tr>
<tr>
<td>Preventive care</td>
<td>100% by the Plan</td>
<td>100% by the Plan</td>
<td>100% by the Plan</td>
<td>Plan pays based on the balance after Medicare’s payment</td>
<td>Plan pays based on the Balance after Medicare’s payment</td>
</tr>
<tr>
<td>Out-of-pocket limit</td>
<td>$2,000 *</td>
<td>$2,750 (in-network) $5,500 (out-of-network)</td>
<td>$6,700 (in-network) $10,000 (out-of-network)</td>
<td>$2,400 (2014 calculation)</td>
<td>$4,800 (2014 calculation)</td>
</tr>
</tbody>
</table>

*In- and out-of-network

For 2015, the SRM Plans are not available in VT, MD, MN, and U.S. Territories.

NOTES: The ESA-PPO Plan has the same benefits as the In-Network PPO Plan.
Aetna’s GMS Plans A and L will be offered in Florida in place of SRM Plans K and L.
## Retiree Cost Share for Typical Doctor’s Visit Bill of $200

<table>
<thead>
<tr>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary Care Charge</td>
<td>$200</td>
<td>$200</td>
<td>$200</td>
<td>$200</td>
<td>$200</td>
</tr>
<tr>
<td>Medicare Pays</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$160</td>
<td>$160</td>
</tr>
<tr>
<td>Aetna Pays</td>
<td>$185</td>
<td>$170</td>
<td>$185</td>
<td>$30</td>
<td>$20</td>
</tr>
<tr>
<td>You Pay</td>
<td>$15 copay (in- and out-of-network)</td>
<td>$30 coinsurance (in-network)</td>
<td>$15 copay (in-network)</td>
<td>$10 coinsurance</td>
<td>$20 coinsurance</td>
</tr>
</tbody>
</table>

**NOTE:** Illustration assumes any annual Medicare and plan deductibles have already been satisfied for the plan year.
You pay first $320 as deductible for deductible.

You pay 25% of drug costs in the Initial Coverage Period.

You pay 45% of brand drugs (50% manufacturers discount and plan pays 5%).

You pay 65% of generic drugs.

You pay 5%:
- Greater of $2.65 or 5% for covered generic.
- Greater of $6.60 or 5% for all other drugs.

You reach the **Coverage Gap** at $2,960 in total Part D covered drug expenditures (includes plan deductible, your costs and plan costs in the Initial Coverage Period).

You reach **Catastrophic Coverage** at $4,700 in true out-of-pocket costs.
# 2015 Emeriti Prescription Drug Plans

<table>
<thead>
<tr>
<th>Rx Premium Plan</th>
<th>Rx Plus Plan</th>
<th>Rx Standard Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Open I with Select Care Formulary</td>
<td>Open I with Select Care Formulary</td>
<td>Managed Standard with Select Care Formulary</td>
</tr>
<tr>
<td>$100 deductible</td>
<td>$100 deductible</td>
<td>$310 deductible</td>
</tr>
<tr>
<td><strong>Initial Coverage Limit:</strong></td>
<td><strong>Initial Coverage Limit:</strong></td>
<td><strong>Initial Coverage Limit:</strong></td>
</tr>
<tr>
<td>Coinsurance: 15% generic, 25% preferred brand, 40% non-preferred brand</td>
<td>Coinsurance: 15% generic, 25% preferred brand, 50% non-preferred brand</td>
<td>Coinsurance: 15% generic, 25% preferred brand</td>
</tr>
<tr>
<td><strong>Coverage Gap:</strong></td>
<td><strong>Coverage Gap:</strong></td>
<td><strong>Coverage Gap:</strong></td>
</tr>
<tr>
<td>Same coverage at same coinsurance level</td>
<td>15% copay for Tier 1 generic drugs</td>
<td>No enhanced coverage</td>
</tr>
<tr>
<td><strong>Catastrophic Coverage:</strong></td>
<td><strong>Catastrophic Coverage:</strong></td>
<td><strong>Catastrophic Coverage:</strong></td>
</tr>
<tr>
<td>100% coverage</td>
<td>95% coverage</td>
<td>95% coverage</td>
</tr>
<tr>
<td><strong>Discounts available on certain Select Care generic drugs</strong></td>
<td><strong>Discounts available on certain Select Care generic drugs</strong></td>
<td><strong>Discounts available on certain Select Care generic drugs</strong></td>
</tr>
<tr>
<td>No step therapy required</td>
<td>Step therapy required for some drugs</td>
<td>Step therapy required for some drugs</td>
</tr>
<tr>
<td>Sample Generic - $30</td>
<td>Rx Standard Plan</td>
<td>Rx Plus Plan</td>
</tr>
<tr>
<td>---------------------</td>
<td>------------------</td>
<td>-------------</td>
</tr>
<tr>
<td>Your Cost Share</td>
<td>65%</td>
<td>15%</td>
</tr>
<tr>
<td>You Pay</td>
<td>$19.50</td>
<td>$4.50</td>
</tr>
</tbody>
</table>

All costs above are illustrative; one month supply obtained at in-network retail pharmacy. Table reflects cost sharing between plan Initial Coverage Limit and TrOOP threshold for members not eligible for low income cost sharing subsidies.
## CMS 5% mandate for brand drugs in Coverage Gap

<table>
<thead>
<tr>
<th>Sample Brand - $100 (Preferred Brand)</th>
<th>Rx Standard Plan</th>
<th>Rx Plus Plan</th>
<th>Rx Premium Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Pharma Cost Share</strong></td>
<td>50% Manufacturer Discount on total cost of drug</td>
<td>50% Manufacturer Discount on total cost of drug</td>
<td>50% Manufacturer Discount on total cost of drug</td>
</tr>
<tr>
<td><strong>Plan Cost Share</strong></td>
<td>5% of $100 total drug cost</td>
<td>5% of $100 total drug cost</td>
<td>Plan pays balance, after your 25% cost share</td>
</tr>
<tr>
<td><strong>Your Cost Share</strong></td>
<td>45%</td>
<td>45%</td>
<td>25% of total drug cost</td>
</tr>
<tr>
<td><strong>You Pay</strong></td>
<td>$45</td>
<td>$45</td>
<td>$25</td>
</tr>
</tbody>
</table>

*All costs above are illustrative; one month supply obtained at in-network retail pharmacy. Table reflects cost sharing between plan Initial Coverage Limit and TrOOP threshold for members not eligible for low-income cost sharing subsidies. There is also a dispensing fee.*
Preventive Service Coverage | 100%
---|---
Annual Deductible (basic and major services) | $100
Basic Services Coverage (e.g. fillings, standard crowns, extractions) | 50%
Major Services Coverage (e.g. root canal therapy, surgical removals, dentures) | 50%
Annual Benefit Maximum | $1,500

NOTES:
1. Twelve month waiting period applies for major services, but may be waived with evidence of continuing coverage.
2. One-time only opt-in opportunity.
3. Dental is only available when you enroll in a combination Medical/Rx coverage, or elect the stand-alone Rx Standard Plan.
4. Please note: in the states of CA, OR, WA, the stand-alone Dental plan may be elected if the participant is enrolled in a Kaiser Permanente MAPD Plan, and with evidence of existing coverage.
5. Dental not available in MD.
• You may change and enroll in coverage Nov 10 through Dec 8, 2014

• **Currently enrolled in the Traditional Choice Plan?**
  • You can change to any medical plan that Emeriti offers in 2015
  • If you don’t make a change, you will be defaulted into the new Medicare Advantage Premium Plan

• You can enroll through the Emeriti Service Center or online

• Look for details in your insurance enrollment kit – mailing early November

• You can now make ACH transfers to your Emeriti Health Account
  • Call the Emeriti Service Center
  • Log-in to your TIAA-CREF account

• Your Emeriti Reimbursement Benefit remains unchanged
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Emeriti Retirement Health Solutions is not an insurance company, insurance broker or insurance provider.

**Summary Plan Description (SPD)**
This presentation is intended to provide you with a brief summary of some of the details of your Employer’s Emeriti Plan and the Emeriti Program. For a full summary of the terms of your Employer’s Emeriti Plan you must consult the SPD, which will be provided to you upon enrollment or upon request.

**Investment Adviser Status**
Emeriti Retirement Health Solutions is a registered investment adviser for purposes of selecting the range of investment options available under the Emeriti Program. Emeriti may provide non-personalized educational materials to plan participants relating to their and their employer’s contribution to their Emeriti Plan and the allocation of their Emeriti Health Account balances among available investment options. Emeriti does not provide personalized investment advice to participants.

The participation interests in the voluntary employee contribution VEBA trusts associated with the Emeriti plans (the “Interests”) may be treated as securities under federal or various state securities laws. The offering of these Interests is subject to compliance with any applicable federal or state law. For residents of Georgia, the Interests are being offered in reliance on paragraph 13 of Code Section 10-5-9 of the Georgia Securities Act of 1973, as amended (the “Georgia Act”). The Interests may not be sold or transferred except in a transaction which is exempt under the Georgia Act or pursuant to an effective registration under the Georgia Act.
Interests in any retiree healthcare plan discussed herein are offered solely by the employer.

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