New Approach to Retiree Health Care Coverage

New Choices • Better Value
What We’ll Cover Today

- What’s Changing and Why
- What You Need To Do
- Introducing Extend Health
- Understanding Supplemental Medicare Insurance
- Next Steps
- Questions & Answers
What’s Changing: Health Coverage

Effective April 1, 2013, Citi is taking a new approach to providing health-care coverage to Medicare-eligible retirees and their Medicare-eligible spouses/domestic partners who pay the full premium for coverage.

- In order to provide you with more choices, better value, and affordability, Citi has decided to offer you medical, prescription drug, dental, and/or vision coverage through individual plans, rather than Citi employee group plans.

- We’ve partnered with Extend Health, a company dedicated to helping Medicare-eligible retirees choose the right plan from the individual marketplace.

- Extend Health provides 1:1 services to help you find and enroll in the coverage that meets your health and financial needs, both now and in the future.
Why This Approach?

- Citi has worked hard to continue offering comprehensive, affordable coverage through our retiree group health plans; however, this has become an increasingly difficult goal to achieve due to the rising costs of health care.

- After researching alternative options, we found that the individual Medicare market offers greater choice and value that, quite simply, Citi’s group health plans couldn’t match.

- Here’s what the individual Medicare market can offer:
  - Greater choice and flexibility to best meet your specific needs
    - A wide range of choices for supplemental medical and prescription drug plans through a variety of insurance companies
    - Plans available at many different price points
  - Better value
    - Because individual plans that work with Medicare share a larger risk pool than employer group plans for retirees, these individual plans can often offer comparable or better coverage at a lower cost.
Why Extend Health?

- **Your Partner, Advocate and Benefit Advisor**
  - Citi explored many potential partners. Extend Health is the industry leader in helping Medicare-eligible retirees find and enroll in supplemental health care coverage in the individual market.

- **Extend Health offers you:**
  - Access to personalized expert decision support and resources, including licensed trained benefit advisors, so you can make informed choices
  - Choice from more than 80 of the leading insurance companies in the market, including all of the major national carriers
  - Experience helping hundreds of thousands of Medicare-eligible retirees transition from employer group health plans to the individual market
  - Simple approach to helping individuals choose and enroll in a supplemental plan that suits their individual needs
  - Support both during the enrollment process and all year round
# How This Affects You

## What you pay
- Depends on what coverage you choose
- Private supplemental Medicare insurance options give you the ability to choose the right level of coverage for you and any dependents.

## How you pay
- If you’re a Medicare eligible retiree you’ll pay premiums directly to your new insurance carrier.
- If you have a spouse/domestic partner who’s covered by Citi retiree medical plan coverage, and who’s not yet Medicare eligible, they can remain covered on Citi’s plan and they’ll be billed separately by Citi.

## How you enroll
- You enroll directly through Extend Health by phone.
- You’ll have more health care coverage options to choose from (including medical, dental and vision).
- All information you’ll need to make a decision will be provided to you in advance.
- You and your Medicare covered dependents enroll separately, either in the same or different plans.
How This Affects You, Cont'd

**Coverage effective date**

- Citi has made the decision to transition to a standard calendar year effective 1/1/2014. So, the elections you make through Extend Health by March 31, 2013 will remain in effect through December 31, 2013.
- You can make new elections through Extend Health for 2014 during a new annual enrollment period in the fall of 2013.

**Your support**

- Extend Health provides personalized decision support and enrollment assistance.
- Extend Health also provides support throughout the year.
- Extend Health is here to help you understand your options and associated costs – premiums, co-payments, deductibles and all other costs.
What You Need To Do - Action required!

- Enroll in Medicare Part B if not already enrolled (we’ll tell you how).

- Contact Extend Health at 1-888-427-8835.
  - Benefit advisors available Monday through Friday, 8 a.m. to 9 p.m. Eastern Time to help you learn more about the individual coverage options available to you

- Enroll in your new coverage:
  - Choose new individual supplemental Medicare medical and prescription drug plan(s).
  - Remember, you and your eligible dependents will need to make separate elections.
  - Enroll with Extend Health between January 7 and March 31, 2013.
Introducing Extend Health
The Industry’s Largest Private Medicare Exchange
Who is Extend Health?

- Independent company, dedicated to serving Medicare-eligible retirees like you
- Partner with over 80 health plan carriers to provide you coverage to fit your individual needs and budget
- Objective and trusted U.S.-based licensed benefit advisors
- Focused on helping each participant make an informed and confident decision at no cost to you
Market-Leading Private Sector Clients

175 Employers – 40 Fortune 500 Companies

95%+ Client Retention Rate
Your Future Coverage

Primary Coverage
Medicare Parts A & B

Additional Coverage (Your Choice)
Medigap + Prescription Drug (PDP)
or
Medicare Advantage with Prescription Drug (MAPD)

Optional Coverage (Your Choice)
Dental and Vision
Plans & Partners

- All Medicare Plan Types
  - Medicare Advantage
  - Medigap
  - Prescription Drug (Part D)
- Dental Plans
- Vision Plans

Select Carrier Partners
OPTION 1: Medigap Plan + Part D Plan

**MEDIGAP (Medicare Supplement)**
A Medigap plan fills the “gaps” in original Medicare Part A and Part B coverage (*i.e.*, *helps pay the difference between your costs and the amount original Medicare pays*). These plans provide additional coverage for your doctor visits and hospital stays as well as other expenses not covered by original Medicare.

**PART D PLAN**
A Part D plan supplements Medigap to provide prescription drug coverage. These plans help pay for your prescription drug expenses.

Note: You will need to pay your first premium when you enroll in coverage
OPTION 2: Medicare Advantage Plan with Prescription Drug Coverage (MAPD)*

MAPD PLAN

An MAPD plan provides an all-in-one plan which bundles your Part A, Part B and Part D (prescription drug) coverage together with additional benefits. These plans provide coverage for your doctor visits, hospital stays, and prescription drug expenses.

* Note that Medicare Advantage plans are generally network based plans
Medicare Prescription Drug Coverage for 2013 (Part D Plan)

Initial Coverage
You pay:
- Deductible and Co-payments for your plan
- Coverage for the first $2,970 in Actual Cost of medications

Coverage Gap – Donut Hole
You pay:
- 47.5% of Brand Drugs and 79% of Generics
  Until out-of-pocket costs reach $4,750 (TrOOP)

Catastrophic Coverage
You pay
- $2.65 for Generics and $6.50 for Brand
  Or 5%, whichever is greater
The Process

- Educate
- Evaluate/Enroll
- Manage
Education
Enrollment Guide

- Prepare you for enrollment discussion by gathering key information
  - Current prescriptions and preferred physicians
  - Current coverage and health conditions*

- Review Medicare basics

- Contact Extend Health at (888) 427-8835
Decision Support Tools

- Help Me Choose
- Prescription Profiler
Evaluate and Enroll

**Licensed Benefit Advisor**
- 100% U.S. based workforce
- Objective advocacy
- Neutral compensation
- Extend University
- Licensed, certified, appointed
- Average age 43

**Hours of Operation**
Monday – Friday
8 a.m. to 9 p.m. Eastern Time

**Enrollment period is Jan. 7 – Mar. 31**

**Call Extend Health Toll-Free at (888) 427-8835**
Telephonic Enrollment Process

- Benefit Advisors can discuss coverage options with anyone (i.e. family, friends, or other caregivers) and only need to speak to the participant to complete the enrollment.

- Once you have made a coverage selection, enrollment is conducted via telephone.

- You will receive confirmation of your enrollment from your carrier(s) in the mail.

- 100% of the calls are recorded.
Next Steps
Prepare for Extend Health

Review Enrollment Guide

Gather Medicare Card, Prescriptions, and Doctor Information

Call Extend Health Toll-Free at (888) 427-8835
Post Enrollment Customer Service

Available year-round

- **Advocacy and support services:**
  - Toll Free number to contact Extend Health representative
  - Direct support for claims issues, appeals and network questions

- **Annual Enrollment (renewal) process:**
  - Ability to choose new plan(s) each year
  - Enrollment elections are generally for a one year period
Questions & Answers
Q: If I don’t like the plan that I enrolled in, when can I change?

A: Every year you will have an Annual Enrollment Period during which you can investigate other medical and drug plans and potentially enroll in a different plan. However, during these annual Enrollment Periods your current medical conditions may limit the plans available to you. You will receive notification from Extend Health of the Open Enrollment Period (Oct 15-Dec 7); we encourage you to contact us should you have any questions.

Q: Will I be refused coverage due to a pre-existing condition? Will I pay more? Can my policy be cancelled once I am enrolled because of my condition? Can my rate be raised for that reason?

A: If you enroll in a Medigap plan when you first transition from group coverage, and you wish to change to another Medigap in the future, you will go through medical underwriting. You will not necessarily be denied, but your monthly premiums could be higher. Your policy cannot be cancelled once you are enrolled unless you do not pay your premiums; and your rate will not be raised for medical reasons. Medicare Advantage plans are always provided guaranteed issue, without medical underwriting.

Q: What if I have the option for other coverage (spouse, military) – if I don’t enroll with Extend now can I enroll later?

A: Yes, you can enroll in a medical or prescription plan later during an open enrollment period. Please let your Benefit Advisor know of any other coverage you may have.
Q: Will my premium rates increase every year? If so, by how much?

A: In general, insurance premiums do increase every year. The increase in plan cost year-to-year can vary widely. We advise our enrollees to contact us and compare other plans if you experience rate increases in the 10-15% range. The national average is 3-4%.

Q: Are there plans that will cover me when I travel domestically or internationally?

A: Medigap plans are accepted by every Medicare-participating provider in the U.S., with some emergency benefits worldwide. If you travel frequently or live part of the year out-of-state, these plans may be right for you. Some Medicare Advantage plans also have worldwide emergency coverage.

Q: How does Extend Health make its money? Will these services be free next year?

A: On a high level, Extend Health, Inc. is paid just as any agent would be, by the carrier, not your company. Our services are always free to you.

Q: Can I obtain Medical and Rx from one carrier or will I need separate plans for each?

A: Some Medicare Advantage plans have limited provisions for all of these needs. If you enroll in a Medigap plan, you will need to enroll in each option separately. Your Benefit Advisor can help you find the best combination for you.
Frequently Asked Questions

Q: Can I meet with a Benefit Advisor in person?

A: No, all of our enrollments are via the phone, and you can access most of the information on our web site. 100% of the calls are recorded for your protection.

Q: If I like the Benefit Advisor I talk to, can I request that same Advisor again?

A: Yes. In fact if you call us from the same phone number of your initial call, the system will automatically attempt to route you to the same Benefit Advisor. However, our Benefit Advisors take excellent notes and anyone can help you without starting over.

Q: I have special needs: Hearing, Understanding, or Power of Attorney, can these people talk to a Benefit Advisor?

A: We have TTY service for the hearing impaired, alternative language options, and you can request a specific person to be on the line with you or for you. However, unless they have Power of Attorney for medical decisions, you will need to be on the line for the actual enrollment confirmation.