Fermilab – 2015 Retiree Medical Plan
Medicare-eligible retirees
Agenda

- 2015 Retiree Medicare-eligible changes
- Benefits to the retirees
- Next Steps
- Introducing OneExchange
- Medicare marketplace
- Enrollment process
- Questions & Answers
2015 Retiree Medicare-eligible changes

- Fermilab is changing the way we provide health care benefits for Medicare-eligible retirees and dependents.
- Effective Jan. 1, 2015, Fermilab will no longer provide coverage to Medicare-eligible retirees and dependents via our group PPO and HMO plans with Blue Cross Blue Shield of Illinois.
- All Medicare-eligible retirees and dependents will select an individual plan with help from a licensed benefit adviser at OneExchange.
- Fermilab will provide a subsidy of $175/month, per person, funded to a Health Reimbursement Account (HRA)
- The account may be used to pay insurance premiums, Medicare Part B premiums and other health care expenses not covered by insurance.
- If you are Medicare-eligible and your spouse is not, your spouse remains in the current Fermilab PPO or HMO until Medicare-eligible.
- These changes also apply to former employees who are receiving benefits in Fermilab’s Long Term Disability Plan who are eligible for Medicare.
2015 Retiree Medicare-eligible changes

- Medicare-eligible health care coverage
- Effective January 1, 2015
Benefits to the Retirees & Fermilab

• You will have more choice and the ability to customize health care coverage. One Exchange offers a wide range of options, where today you have only two choices.
  – OneExchange enables retirees to take advantage of the individual marketplace allowing a wider range of options for choosing plans/coverage that fit your health and financial needs – potentially saves you money
  – With the Fermilab subsidy, your have more flexibility in how the money is used; reimburse Medicare supplemental medical, prescription drug, dental, vision and Medicare Part B premiums

• Purchasing healthcare coverage this way allows us to leverage the purchasing power of millions of retirees so everyone’s money buys more.

• Fermilab can manage expenses and allow the lab to be fiscally responsible with DOE funds while maintaining a competitive benefit package and offer health care subsidies to Medicare-eligible retirees.
## Benefits to the Retirees

| Variety | • More plan options and coverage choices  
|         | • Better price range for the level of coverage you need  
|         | • You and your dependents each choose your own plans based on individual needs |
| Cost-Sharing | • Fermilab funds $2,100 into the HRA to give you more control over how the Fermilab contribution is spent  
|         | • Subsidy can be used for Medicare supplemental, prescription drug, dental, vision and Medicare Part B premiums |
| Enrollment | • You will receive an enrollment guide from OneExchange about individual Medicare supplemental, prescription drug, dental and vision coverage  
|         | • Retiree and any dependents each individually choose a plan and enroll |
| Support | • Robust, personalized, one-on-one support, information and tools from OneExchange to help you understand and enroll in the best individual insurance policies for you and manage your HRA |
| Payment | • As of Jan. 1, 2015, no more auto-withdrawals from Fermilab  
|         | • You will pay all future premiums directly to the insurance carriers you choose  
|         | • Reimburse yourself from available HRA funds |
Next Steps

Enroll through OneExchange during this time to have individual Medicare supplemental and prescription drug coverage and to receive the Fermilab $175 monthly subsidy.

Blue Cross Blue Shield PPO and HMO coverage will END on December 31, 2014 for Medicare-eligible retirees.
Introducing OneExchange

• Fermilab is partnering with OneExchange, a wholly owned subsidiary of Towers Watson to assist Medicare-eligible retirees to make an informed decision about their continued health care coverage.

• OneExchange owns the first and largest private Medicare Exchange, partnering with over 300 employers, serving hundreds of thousands of retirees.

• Fermilab chose OneExchange for:
  – their strong expertise with Medicare products
  – experience transitioning retiree medical coverage for employers in our industry
  – their excellent customer service ratings
  – their proven ability to help retirees like ours fully understand their plan coverage options.

• You will work with licensed benefits advisors for personal support and guidance to help you choose an appropriate health care plan and enroll in your coverage.
Helping You Prepare For Your Upcoming Medicare Enrollment
Who We Are

Transitions Can Be A Good Thing!

OneExchange – For Your Benefit

A Deeper Dive – Benefit Advisors, Private Exchange, Optimize Savings, Health Reimbursement for You

Next Steps

Questions & Answers
About OneExchange

Towers Watson over 100 years experience

Hundreds of thousands of retirees served across 300+ employers

Licensed advisor provides guidance and lifetime advocacy

Personalized options with plans from a nationwide network of carriers

Founded in 2004

First and Largest private Medicare Exchange

Never a cost to you

In the middle of our 9th annual enrollment season
The Transition Process

- Consultative Process
- Simplified Selection
- Effortless Enrollment
- Lifetime Advocacy
Our Service Centers

Salt Lake City, UT

100% Domestic Workforce
- NO Outsourcing!

Dallas, TX

Operating hours:
Monday-Friday 7am-8pm CT
Plans and Partners

All Plan Types

- Medicare Advantage
- Medicare Supplement (Medigap)
- Prescription Drug (Part D)
- Dental & Vision Plans

Wide selection of plans from leading national / regional carriers
Your Future Coverage

**Primary Coverage**
Medicare A & B

**Additional Coverage (your choice)**
Medicare Advantage with Prescription Drug (MAPD)
Medigap + Prescription Drug

**Optional Coverage (your choice)**
Dental and Vision
OPTION 1

Medicare Advantage Plan with Prescription Drug Coverage (MAPD)*

* Note that Medicare Advantage plans are generally network based plans.
OPTION 2

Medigap Plan + Part D Plan

Note: You may need to pay your first premium when you enroll in coverage.
Your Experience

- Announcement & Education
- Evaluation & Enrollment
- Ongoing Communications & Advocacy
Education

Getting Started Guide

Pre-existing conditions will not limit your plan selection*

Make your First Contact call

TOLL FREE

1-855-241-5721

medicare.oneExchange.com/fermilab

* Except end-stage renal disease.
Education

Enrollment Guide

Prepare for Your Enrollment Consultation

- Review Medicare basics
- What to expect on your enrollment call
- FAQ’s
- Appointment confirmation
Benefit Advisors

Hours of Operation

Monday – Friday
7 am – 8 pm CT

- Licensed / Certified / Appointed
- OneExchange University™
- Average age 43
- Objective & unbiased
- 100% domestic workforce
Decision Support Tools

- Help Me Choose
- Prescription Profiler

medicare.oneExchange.com/fermilab

24/7 access to your information
Enrollment Process

- Benefit Advisors can discuss coverage options with anyone
- Telephonic enrollment – 2 part process
- 100% of calls are recorded
Selection Confirmation Notice

Your applications have been submitted for the plans listed below

Client logo

1 1 SP 0.900
***************SNGLP T1 P1
<FirstName> <LastName>
<Address Line 1>
<Address Line 2>
<City>, <State> <ZIP CODE>

Dear <FirstName LastName>,

This letter confirms that you have made your health care plan selection(s) for <year>, and that your application(s) have been submitted to the insurance carrier(s) listed below. Please review this statement carefully to ensure that it reflects the choices you have made. If the plan(s) or premium(s) are not what you expected, please contact OneExchange immediately at <ClientPhoneNumber>.

This letter does not confirm acceptance of your applications or that your plan(s) have been issued, and cannot be used as proof of coverage. This letter only confirms that your applications have been submitted.

Once your application(s) are accepted, you will begin to receive information directly from your insurance carrier(s).

Please note: Due to final rate approvals and insurance carrier-applied discounts, final premiums may vary from those shown below.

<table>
<thead>
<tr>
<th>Plan name</th>
<th>Premium</th>
<th>Desired coverage start date</th>
<th>&lt;Y/N&gt; Auto reimbursement status</th>
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<td>&lt;Medical carrier name, plan name that might be more than two lines&gt;</td>
<td>&lt;$000.00&gt; &lt;per month&gt;</td>
<td>&lt;Month DD, YYYY&gt;</td>
<td>&lt;Medical auto reimbursement status&gt;</td>
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<td>Confirmation #: &lt;App Confirmation ID&gt;</td>
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</tr>
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<td>&lt;Part D carrier name, plan name that might be more than two lines&gt;</td>
<td>&lt;$000.00&gt; &lt;per month&gt;</td>
<td>&lt;Month DD, YYYY&gt;</td>
<td>&lt;RX auto reimbursement status&gt;</td>
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<td>Confirmation #: &lt;App Confirmation ID&gt;</td>
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<td></td>
<td></td>
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<tr>
<td>&lt;Dental carrier name, plan name that might be more than two lines&gt;</td>
<td>&lt;$000.00&gt; &lt;per month&gt;</td>
<td>&lt;Month DD, YYYY&gt;</td>
<td>&lt;Dental auto reimbursement status&gt;</td>
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<td>Confirmation #: &lt;App Confirmation ID&gt;</td>
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<td>&lt;Vision carrier name, plan name that might be more than two lines&gt;</td>
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<td>&lt;Month DD, YYYY&gt;</td>
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<td>Confirmation #: &lt;App Confirmation ID&gt;</td>
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</tbody>
</table>
Health Reimbursement Arrangement
HRA
What Is An HRA?

- **Tax-free** account used to reimburse you for eligible health care expenses — you pay first and then get reimbursed

- If you are eligible, Fermilab will make an annual contribution to a Health Reimbursement Account (HRA)

- You may use HRA funding to reimburse yourself for eligible medical, prescription drug, dental, vision premiums (including Medicare Part B premiums), as well as eligible out-of-pocket healthcare expenses

- Your HRA funding will be available **January 1, 2015**

Unused Funds do rollover
Localized Slides
# Plans Available in Kane County

<table>
<thead>
<tr>
<th>Plan Type</th>
<th>Number of Plans Offered</th>
<th>2014 Monthly Premium</th>
<th>Companies [subject to change]</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medicare Advantage</td>
<td>22</td>
<td>$0 - $152</td>
<td>BCBS, UHC, WellCare, Humana</td>
</tr>
<tr>
<td>Medigap / Medicare Supplement</td>
<td>14</td>
<td>$84 - $360</td>
<td>BCBS, Health Alliance, UHC</td>
</tr>
<tr>
<td>Part D</td>
<td>15</td>
<td>$13 - $125</td>
<td>Cigna, Aetna, SilverScript, Express Scripts</td>
</tr>
</tbody>
</table>
# Plans Available in Kane County

<table>
<thead>
<tr>
<th>Plan Type</th>
<th>Number of Plans Offered</th>
<th>2014 Monthly Premium</th>
<th>Companies</th>
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</thead>
<tbody>
<tr>
<td>Vision</td>
<td>1</td>
<td>$168 per year</td>
<td>Vision Service Plan (VSP)</td>
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<tr>
<td>Dental</td>
<td>4</td>
<td>$23 - $56</td>
<td>Delta Dental, Humana, MetLife Dental</td>
</tr>
</tbody>
</table>
# Medicare Advantage Plan

<table>
<thead>
<tr>
<th>Benefit</th>
<th>Cost</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Premium</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>Network</td>
<td>HMO-POS</td>
<td></td>
</tr>
<tr>
<td>Deductible</td>
<td>$0</td>
<td></td>
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<tr>
<td>Doctor Copay</td>
<td>$10</td>
<td></td>
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<tr>
<td>Specialist Copay</td>
<td>$45</td>
<td></td>
</tr>
<tr>
<td>Hospital</td>
<td>Days 1 - 5 $335 per day</td>
<td></td>
</tr>
<tr>
<td>Emergency Room</td>
<td>$65</td>
<td></td>
</tr>
<tr>
<td>Rx – Deductible</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>Retail Co-Pay Tiers</td>
<td>$4 / $8 / $45 / $95 / 33%</td>
<td>30 days</td>
</tr>
<tr>
<td>Mail Order Co-Pay Tiers</td>
<td>$12 / $24 / $135 / $285 / 33%</td>
<td>90 days</td>
</tr>
</tbody>
</table>
# Medigap Plan F + Prescription Drug Plan

*(75-year old male)*

<table>
<thead>
<tr>
<th>Benefit</th>
<th>Cost</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Premium</td>
<td>$284 ($251 Medical + $33 PDP)</td>
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<tr>
<td>Network</td>
<td>Not Applicable</td>
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<tr>
<td>Deductible</td>
<td>$0</td>
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<tr>
<td>Doctor Copay</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>Specialist Copay</td>
<td>$0</td>
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<tr>
<td>Hospital</td>
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<td>$0</td>
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<tr>
<td>Rx – Deductible</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>Retail Co-Pay Tiers</td>
<td>$0 / $0 / $24 / $35% / 33%</td>
<td>30 days</td>
</tr>
<tr>
<td>Mail Order Co-Pay Tiers</td>
<td>$0 / $0 / $60 / $35% / 33%</td>
<td>90 days</td>
</tr>
</tbody>
</table>
Medicare Prescription Drug Coverage

Deductible

• You Pay Full Retail Until Deductible is Met – $0-$320 [2015]

Initial Coverage

• You Pay Co-pays for your plan coverage for the first $2960 in actual retail cost of medications

Coverage Gap

• You pay 45% of Brand Name and 65% of Generics - until your Out Of Pocket costs reach $4700; pharmaceutical contributions count towards $4700

Catastrophic Coverage

• You Pay $2.65 for Generics and $6.60 for Brand Name Or 5% - whichever is greater
Health Reimbursement Arrangement

1. $ → YOUR INSURANCE COMPANY
2. YOUR INSURANCE COMPANY → OneExchange™ from Towers Watson
3. OneExchange™ from Towers Watson → $
Health Reimbursement Arrangement

Reimbursement Options

1. Automatic Reimbursement
   [including recurring claims]

2. Manual Claims
Personal Guidance For a Lifetime

A Lifetime Advocate

- Navigation
- Enrollment
- Claim issues
- Affordability concerns
- Prescription
- Late enrollment
- HRA
- Annual plan review
Next Steps

Cards
What You Need To Do: Action Required!

Contact OneExchange
1-855-241-5721

- Call now to complete your profile and schedule an enrollment appointment
- You will need your Medicare card, prescriptions list, and doctors & hospitals information

We Are Ready!
Frequently Asked Questions
Q: Do you offer plans that cover me in multiple states — I am a snowbird?

Q: How often will I be billed? By whom? Can I pay by check?

Q: If I don’t like the plan that I enrolled in, when can I change?

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?
Frequently Asked Questions – Top 8

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

Q: I re-married after I retired — is my spouse eligible for OneExchange’s services?

[Retail Team >> 1-800-591-2611]

Q: Will my premium rates increase every year? If so, by how much?

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

Call Now - We Are Ready

1-855-241-5721

TOWERS WATSON

OneExchange™