Oak Ridge National Laboratory

New Coverage
New Choices
What we’ll cover today

• What is changing and why?
• How this affects you
• Introducing Extend Health
• Medicare marketplace
• Going forward
• Questions & answers
What’s changing?

• ORNL is changing the way they currently provide health care benefits

• Who will be affected?

• Eligible retirees & spouses age 65 and older
Why This Approach?

• Allows retirees to have more choice and the ability to customize their health care coverage.

• Extend Health specializes in providing these services for retirees across the U.S.
## How This Affects You

<table>
<thead>
<tr>
<th>Medical</th>
<th>Prescription Drug</th>
</tr>
</thead>
<tbody>
<tr>
<td>• UHC coverage will end as of June 30, 2012.</td>
<td>• Medco Rx coverage will continue with no additional deductibles to meet for 2012.</td>
</tr>
<tr>
<td>• You may choose a new plan with the support of Extend Health</td>
<td>• Premiums will be $100 per month per person (shared cost).</td>
</tr>
<tr>
<td></td>
<td>• You will be automatically enrolled in Medco when you enroll in a medical plan with Extend Health.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Dental &amp; Vision</th>
</tr>
</thead>
<tbody>
<tr>
<td>• UHC coverage will end as of June 30, 2012. You may elect a plan through Extend Health.</td>
</tr>
</tbody>
</table>
## How This Affects You

<table>
<thead>
<tr>
<th><strong>What you pay</strong></th>
<th>• May change – depending on what coverage you choose.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>How you enroll</strong></td>
<td>• You will work with Extend Health to enroll in a plan that meets your medical needs. Extend Health will also help you establish your Health Reimbursement Arrangement.</td>
</tr>
<tr>
<td><strong>Your support</strong></td>
<td>• Extend Health Advisors will help you understand the costs associated with your coverage.</td>
</tr>
</tbody>
</table>
Introducing Extend Health
The Industry’s Largest Private Medicare Exchange
Who is Extend Health?

- Independent company
- Partner with 75+ health plan carriers
- **Objective** and **Trusted** US based benefit advisors
- Focused on helping each participant make an informed and confident decision
Why Extend Health

- We are experienced in helping people just like you
- To be your unbiased advocate
- Our services are provided at **no cost** to you
Plans & Partners

All Medicare Plan Types

• Medicare Advantage
• Medigap (supplement)

Vision

Dental

Select Carrier Partners
The Process

Educate

Evaluate/Enroll

Manage
Education

Enrollment Guide

• Prepare you for enrollment discussion
• Review Medicare basics
• Appointment confirmation letter
• Pre-existing conditions will not limit your plan selection
  › Give us a call 888-592-8348
• www.ExtendHealth.com/ornl
Evaluate and Enroll

Licensed Benefit Advisor

- 100% domestic workforce
- Your objective advocate
- Neutral compensation
- Extend University
- Licensed, certified, appointed
- Medicare experts
- Average age 43

Hours of Operation
Monday – Friday
9 a.m. – 9 p.m.
Eastern Time
Enrollment Process

• Benefit Advisors can discuss coverage options with anyone – need to speak to the participant to complete the enrollment.

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

• 100% of calls are recorded.
Medicare & You
Your Future Coverage

Primary Coverage
Medicare A & B

Additional Coverage (Your Choice)
Medigap + ORNL Medco Plan
Medicare Advantage (MA) + ORNL Medco Plan (limited)

Optional Coverage (your choice)
Dental and Vision
Option 1: A Medigap plan
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.

You will need to pay your first premium when you enroll...
Option 2: A Medicare Advantage Plan
A Medicare Advantage Plan provides an all-in-one plan that bundles your Part A and Part B coverage together with additional benefits. These plans provide coverage for your doctor visits and hospital stays.
Location Specific plans
## 2012 Plan Availability in Oak Ridge, TN (Anderson County)

<table>
<thead>
<tr>
<th>Plan Type</th>
<th>Number of Plans Offered</th>
<th>2012 Monthly Premium</th>
<th>Carriers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medigap/Medicare Supplement</td>
<td>15</td>
<td>$95 - $255</td>
<td>AARP, Humana, and United Healthcare</td>
</tr>
</tbody>
</table>
## 2012 Plan Availability in Oak Ridge, TN

<table>
<thead>
<tr>
<th>Benefits</th>
<th>Number of Plans Offered</th>
<th>2012 Monthly Premium</th>
<th>Company</th>
</tr>
</thead>
</table>
| Vision   | 1                       | $14 per person per month ($168/year)  
Annual eye exam: $15  
Coverage for eye glasses, lenses and frames | Vision Service Plan (VSP) |
| Dental   | 2                       | $10 - $40  
$0 deductible  
$No limit to- $1,600 annual maximum | Delta Dental, Humana Dental |
# 2012 Plan Availability in Oak Ridge, TN

<table>
<thead>
<tr>
<th>Benefits</th>
<th>Medigap Select C</th>
<th>Medigap Plan N</th>
<th>Medigap Plan F</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monthly Premium</td>
<td>$144 – community rated/all ages</td>
<td>$119 community rated/all ages</td>
<td>$180 - (age 75)</td>
</tr>
<tr>
<td>Physician</td>
<td>$0 copay; plan covers Part B coinsurance</td>
<td>$20 copay; plan covers Part B coinsurance</td>
<td>$0 copay; plan covers Part B coinsurance and Part B excess</td>
</tr>
<tr>
<td>Emergency/Urgent</td>
<td>$0 copay; plan covers Part B coinsurance</td>
<td>$50 copay; Plan covers Part B coinsurance</td>
<td>$0 copay; plan covers Part B coinsurance and Part B excess</td>
</tr>
<tr>
<td>Hospital</td>
<td>$0 copay; Covers Part A coinsurance and an additional 365 days at 100% (network of hospitals)</td>
<td>$0 copay; Covers Part A coinsurance and an additional 365 days at 100%</td>
<td>$0 copay; Covers Part A coinsurance and an additional 365 days at 100%</td>
</tr>
<tr>
<td>Pharmacy</td>
<td>Coverage through ORNL group Rx plan</td>
<td>Coverage through ORNL group Rx plan</td>
<td>Coverage through ORNL group Rx plan</td>
</tr>
</tbody>
</table>
## Comparing Current ORNL Benefits to Popular Individual Plan Benefits

<table>
<thead>
<tr>
<th>Benefits</th>
<th>Current ORNL Plan</th>
<th>Medigap Plan N plus ORNL Medco Plan</th>
<th>Medigap Plan F plus ORNL Medco Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Deductible</strong></td>
<td>$100</td>
<td>$140</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Office Visits</strong></td>
<td>20% co-insurance</td>
<td>$20 co-pay</td>
<td>$0 co-pay</td>
</tr>
<tr>
<td><strong>Hospital</strong></td>
<td>20% co-insurance</td>
<td>$0 co-pay</td>
<td>$0 co-pay</td>
</tr>
<tr>
<td><strong>Out of Pocket Max</strong></td>
<td>None</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Lifetime Maximum</strong></td>
<td>$75,000</td>
<td>None – unlimited benefits</td>
<td>None – unlimited benefits</td>
</tr>
<tr>
<td><strong>Prescription</strong></td>
<td>$150 deductible</td>
<td>$150 deductible</td>
<td>$150 deductible</td>
</tr>
<tr>
<td></td>
<td>Retail Generic: 20%</td>
<td>Retail Generic: 20%</td>
<td>Retail Generic: 20%</td>
</tr>
<tr>
<td></td>
<td>Retail Brand: 30%</td>
<td>Retail Brand: 30%</td>
<td>Retail Brand: 30%</td>
</tr>
<tr>
<td></td>
<td>Mail Order Generic: $15</td>
<td>Mail Order Generic: $15</td>
<td>Mail Order Generic: $15</td>
</tr>
<tr>
<td></td>
<td>Mail Order Brand: $35</td>
<td>Mail Order Brand: $35</td>
<td>Mail Order Brand: $35</td>
</tr>
<tr>
<td></td>
<td>No coverage gap</td>
<td>No coverage gap</td>
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# Annual Plan Cost Comparison
(Average Medicare Retiree - Illustrative)

<table>
<thead>
<tr>
<th>Cost Category</th>
<th>Current ORNL Plan</th>
<th>Medigap Plan N plus ORNL Medco Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retiree Premium Contribution</td>
<td>$160 monthly/$1,920 annually</td>
<td>$219 monthly/$2,628 annually</td>
</tr>
<tr>
<td>ORNL Monthly Subsidy</td>
<td>None</td>
<td>$42 monthly/$500 annually</td>
</tr>
<tr>
<td>Retiree Net Premium Cost:</td>
<td>$1,920 annually</td>
<td>$2,128 annually</td>
</tr>
<tr>
<td>Deductible</td>
<td>$100</td>
<td>$140</td>
</tr>
<tr>
<td>Coinsurance costs</td>
<td>$551</td>
<td>$200</td>
</tr>
<tr>
<td>Retiree total annual out of pocket costs</td>
<td>$2,571*</td>
<td>$2,468*</td>
</tr>
<tr>
<td>Lifetime Maximum</td>
<td>$75,000</td>
<td>None – unlimited benefits</td>
</tr>
</tbody>
</table>

*Excludes pharmacy copayment out of pocket costs
## Annual Plan Cost Comparison
(Catastrophic Medicare Retiree - Illustrative)

<table>
<thead>
<tr>
<th>Cost Category</th>
<th>Current ORNL Plan</th>
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<tr>
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</tr>
<tr>
<td>Deductible</td>
<td>$100</td>
<td>$140</td>
</tr>
<tr>
<td>Coinsurance costs</td>
<td>$1,334</td>
<td>$460</td>
</tr>
<tr>
<td>Retiree total annual out of pocket costs</td>
<td>$3,354*</td>
<td>$2,728*</td>
</tr>
<tr>
<td>Lifetime Maximum</td>
<td>$75,000</td>
<td>None – unlimited benefits</td>
</tr>
</tbody>
</table>

*Excludes pharmacy out of pocket costs
Health Reimbursement Accounts

Auto-Reimbursement

How the Process Works
What Is An HRA?

• Tax-advantaged account used to reimburse you for eligible health care expenses

• You must meet ORNL’s eligibility requirements to qualify for HRA

• Your HRA funds will be available July 1
Health Reimbursement Account: How It Works

ORNL allocates benefit dollars to HRA account of eligible participant.

Participant works through Extend Health to enroll in individual coverage.

Participant is reimbursed for healthcare expenses using HRA benefit dollars.
How to File a Paper Claim

1. Participant pays plan premium or copays
2. Participant fills out claim form, attaches required information
3. Extend Health verifies receipt of payment and eligibility
4. Extend Health reimburses customer
Remember,
You can be
Reimbursed for
Part B by sending
in your statement
How Auto-Reimbursement Works

1. Participant pays plan premium to insurance company.
2. Insurance company forwards receipt of payment to Extend Health.
3. Extend Health verifies receipt of payment and eligibility.
4. Extend Health reimburses participant.
What is Auto-Reimbursement?

- Auto-Reimbursement (AR) is a service offered by Extend Health.
- Auto-reimbursement only applies to premiums paid, not other expenses.
- Auto-reimbursement is NOT available on all plans.
- Due to the timing of Auto-Reimbursement files it is usually not the fastest way to get a reimbursement.
Auto-Reimbursement...

• Initial AR reimbursement may take up to 3 months

• All premiums paid prior to activation of AR will be reimbursed at once

• If you need your reimbursement sooner, simply file a paper claim

• Forms and instructions provided in your HRA Welcome Kit

• Once AR is activated, you can expect to receive your reimbursement around the same time each month
Next Steps
Next Steps

Review “Enrollment Guide”

Call Extend Health
888-592-8348
Post Enrollment Customer Service

Advocacy and support services

- Toll Free number to contact Extend Health representative
  - Direct support for claims issues, appeals and network questions
- Renewal process – ability to pick new coverage for future years – not locked into this year’s choice
- Future enrollment periods will be in the fall each year for a January 1 plan effective date
- Ongoing advocacy services