A New Approach to Your Retiree Medical Benefits
UC is taking a new approach to retiree medical care coverage for Medicare-eligible retirees and their Medicare-eligible dependents who live outside California. This new approach offers you:

- More choice
- Greater flexibility
- Better value
- Personalized support

This brochure describes changes to the way UC provides medical insurance for retirees living outside California. This information applies to you if you and all covered members of your family are enrolled in Medicare.

Read this brochure carefully and watch for additional mailings from Extend Health. Then, work with Extend Health, the company UC has selected to assist you in taking action to ensure that you and your eligible spouse or domestic partner and/or children have health care coverage on Jan. 1, 2014.

You must take action under this program in order to continue to have supplemental coverage as part of your UC benefits.
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What is Changing?
Beginning Jan. 1, 2014, you will no longer participate in a UC-sponsored group medical insurance plan. Instead, you will purchase individual Medicare supplemental coverage. UC will continue to contribute to the cost of your medical coverage by providing a Health Reimbursement Arrangement (HRA), which you can use to pay for your individual plan and/or any other eligible medical expenses.

UC has arranged with Extend Health, the leader in Medicare coordination and transition services, to help guide you through the process of selecting the right medical plan for you.
Today, UC offers Medicare-eligible retirees outside of California two medical plan options. This new approach provides retirees with more when it comes to your healthcare coverage: More plan choices, more flexibility in how you pay for coverage, and more help deciding which plans meet your needs.

You may choose the individual coverage you want. You will be able to choose from a variety of plans, at varying prices, available in the individual-plan market in your area. You and your spouse or domestic partner may even choose different plans.

You get a special account to help you pay for your health care coverage. UC will provide an annual contribution to a Health Reimbursement Arrangement (HRA) to help pay for your medical and/or prescription drug premiums. You can also use the funds to pay your Medicare premium and other eligible medical expenses, if you choose. If you are subject to graduated eligibility, you will receive a percentage of the HRA contribution, just as you do now for your medical premium.

You may enroll over the phone with an Extend Health benefit advisor. A specially trained Extend Health benefit advisor will work with you one-on-one over the phone to review the plans available in your geographic area. Extend Health is not an insurance company—it is a company dedicated to helping you look at all the options available to you.

The benefit advisor will help you choose and enroll in a plan based on your needs, including your current doctors and prescription medications. The advisor will work with your entire family to find the right plan for each of you.

You can choose Kaiser, if it’s available in your area. The process for choosing Kaiser is different (see page 21), but you will be eligible for the HRA contribution and Extend Health will set up the HRA for you and help you with claims.
You can re-evaluate your choice every year and work with Extend Health to change your plan if you need to. You will receive a reminder postcard each year.

Your monthly retirement benefit payment will change. Effective Jan. 1, 2014, you will no longer have a medical insurance premium deducted from your UC pension benefit. If you have a Part B reimbursement, you will no longer see a credit in your pension benefit. You can get a refund of your Part B cost through a reimbursement from your HRA.

**UC-sponsored medical plans will end**

As of Jan. 1, 2014, UC-sponsored group medical coverage will no longer be available to Medicare-eligible retirees who live outside California. This means the coverage under the following medicare plans will end:

- Anthem Blue Cross PPO
- Core
- High Option Supplement to Medicare
- Kaiser
- Anthem Blue Cross PPO without Prescription Drugs
Meet
Extend Health
Extend Health will be your partner throughout the process of choosing a plan and into the future.

Extend Health has licensed benefit advisors who are trained to help you compare and select coverage based on your needs and your budget. Benefit advisors do not receive a commission for enrolling you into any of the plans being offered. This ensures that the advisors provide you with unbiased assistance. Since 2004, they have helped thousands of Medicare-eligible retirees evaluate and enroll in supplemental Medicare coverage.

Through Extend Health, you’ll gain access to a number of different medical and prescription drug plans. Extend Health currently partners with more than 75 of the leading insurance companies in the market, including most major national carriers and some local plans.

**Take action!**

Beginning Sept. 3, 2013, call Extend Health at **1-855-359-7381** to schedule an appointment with a benefit advisor. Phone lines are open Monday through Friday from 5a.m.–6p.m. Pacific Time.
How Extend Health can help you

In the next few weeks, you will receive a Getting Started Guide from Extend Health with information about how to set up a personal phone appointment with a benefit advisor. The advisor will:

- Give you unbiased information about the types of individual plans available to you and how much they cost.
- Provide advice and support as you choose the right plan for you, based on your current coverage, doctors, prescription drug needs and expected future needs.
- Help you enroll
- Provide support after enrollment, including help with coverage, claims and network questions.

You’ll also have access to decision-making tools and other online resources through the Extend Health website: www.extendhealth.com/uc

Extend Health phone calls

Phone Call 1—making an appointment to enroll:
After you receive your Getting Started Guide, contact Extend Health to schedule your evaluation and enrollment phone call. You’ll provide general information about your doctors and prescription drugs and schedule your phone appointment.

If Extend Health does not receive a call from you, an Extend Health benefit advisor will call you at the phone number we have in our records.

Phone Call 2—evaluation and enrollment:
You will call Extend Health at your scheduled appointment time. During the call, the benefit advisor will spend time discussing your options and help you evaluate the plans. You will then choose the plan that fits your needs and enroll. If you’re not ready to make a final enrollment decision, you may schedule an additional call to complete your enrollment.

You and your spouse, domestic partner and/or children may schedule a single enrollment appointment, if you’d like, but you will enroll in separate individual Medicare supplement plans.
Tips for your call with a benefit advisor

Evaluation and enrollment phone calls typically take about an hour. That's because the benefit advisor will help you evaluate your options and enroll you in the plan you choose.

By law, the benefit advisor must provide you with legal disclaimers during and at the end of your call. This information can be lengthy and detailed, but it is an important part of the process.

Consider doing the following to be sure you're comfortable during the call:

• Use a speaker phone, if you have one
• Sit in a comfortable spot
• Make arrangements for family members who may be helping you to listen in
Understanding the UC Health Reimbursement Arrangement
A Health Reimbursement Arrangement (HRA) is a UC-funded account that you can use to reimburse yourself for medical premiums and other qualified health care expenses on a tax-free basis.

When you enroll in an individual Medicare supplemental medical plan through Extend Health, Extend Health will establish an HRA for you and your eligible family members and will manage the account on your behalf. UC will contribute to the HRA for each eligible member of your family enrolled in a plan through Extend Health. This is a change in the way UC contributes to your retiree health benefits.

You can use the money in your HRA to reimburse yourself for medical and prescription drug premiums. In other words, you pay the insurance carrier directly for your individual Medicare supplemental plan and then request a reimbursement from your HRA. Automatic reimbursement may be available. In mid-December, you’ll receive an HRA Welcome Kit that will provide more information about the HRA.

Other expenses eligible for reimbursement from your HRA include:

- Medicare Part B and D premiums
- Out-of-pocket expenses such as deductibles and co-payments or your share of coinsurance
- Prescription drug costs
How the HRA works

1. **You pay premiums and expenses**
   You pay the full premium directly to the insurance provider. You can ask Extend Health about the auto reimbursement option for premiums. You also pay your provider any required out-of-pocket expenses.

2. **You submit out-of-pocket expenses**
   You submit your claim to Extend Health for your premiums (if you don’t elect auto reimbursement) and out-of-pocket health care expenses.

3. **Extend Health reimburses you**
   Extend Health administers your account and will reimburse you from your HRA until all the available funds are exhausted. You can be reimbursed by direct deposit or by check.

4. **Leftover HRA balances roll over**
   If you have a balance in your HRA at the end of the year, it will remain in your account and may be used to pay future medical expenses. You may not withdraw the funds for other uses.

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**Important note**

UC will make a contribution to your HRA only if you enroll in supplemental Medicare coverage through Extend Health or Kaiser Permanente. If you decide to elect supplemental Medicare coverage without Extend Health’s support, you won’t be eligible for an HRA.
How much is in your HRA?

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Please note that UC's contributions to the cost of benefits are not guaranteed and may change at any time.
What Choices Will You Have?
As the health care market continues to change, the plans that may have worked for you years ago may not be the best choice for your needs today. We encourage you to use this opportunity to consider new choices you will have for individual health care plans. Take advantage of Extend Health’s licensed benefit advisors to help you make a choice that fits your needs.

When selecting an individual Medicare supplemental plan, you will have the choice of options shown on page 19. Details about these plans will be included in the Extend Health Enrollment Guide and will be covered in the group meetings that may be held in your area. Your Extend Health benefit advisor will also walk through your options with you over the phone.
Your choices

A *Medicare Supplement Insurance Plan* (Medigap), which helps pay some or all of the medical costs not covered by Medicare Parts A and B, such as coinsurance, deductibles and copayments.

With this type of plan, you can use the doctors and hospitals of your choice.

**AND**

A Medicare Part D Plan, which covers a portion of your prescription drug costs.

Your current UC-sponsored plan is this type of plan.

**OR**

A *Medicare Advantage Plan*, which generally replaces and covers the same services as Medicare Parts A and B and often includes coverage for prescription drugs. Medicare Advantage plan options vary depending on where you live.

With this type of plan, you may need to choose doctors and hospitals in the plan’s network.

Kaiser Senior Advantage is one example of this type of plan.
Enrolling in Kaiser

Some retirees may want to enroll in Kaiser Permanente Medicare Plus rather than in one of the plans available through Extend Health.

This option is available if you live in an area where Kaiser is offered, and you will be eligible to receive the UC contribution to the HRA. However, the process for enrolling will be different. To enroll in a Kaiser plan:

• When you call Extend Health, tell them you are interested in enrolling in Kaiser.
• The Extend Health benefit advisor will give you the appropriate Kaiser number to call.
• Call Kaiser and complete the enrollment.
• Once enrolled, call Extend Health to let them know you’re enrolled.
• Extend Health will then set up your HRA.
Resources to Help You
Extend Health has many resources to help you during and after the process of enrolling in an individual plan. In addition to your one-on-one evaluation and enrollment phone calls with a benefit advisor, you'll have:

- Printed materials that you will receive in the mail
- Face-to-face group meetings in selected areas
- Online support at www.extendhealth.com/uc

You will soon receive a Getting Started Guide from Extend Health with information to help you set up your initial appointment with a benefit advisor. In the weeks following, you will receive an Enrollment Guide, which you'll use before and during your evaluation and enrollment appointment with a benefit advisor.
Group retiree meetings

A limited number of group meetings are scheduled for September. During these meetings, Extend Health will provide details about the process of enrolling with Extend Health and information about your UC HRA. If a group meeting is available near you, try to attend to learn more about these changes. Family and friends are also welcome to attend.

**Portland**  Sept. 23 (9:30a.m.)  
Embassy Suites Portland Airport  
7900 NE 82nd Ave.  
Portland, OR 97220

**Las Vegas**  Sept. 25 (9:30a.m.)  
Flamingo Hotel  
3555 S. Las Vegas Blvd.  
Las Vegas, NV 89109

**Seattle**  Sept. 24 (9:30a.m.)  
Doubletree by Hilton—Airport  
18740 International Boulevard  
Seattle, Washington, 98188

**Phoenix**  Sept. 26 (9:30a.m.)  
Hilton Phoenix Airport Hotel  
2435 S. 47th St.  
Phoenix, AZ 85034

Conference call and online presentation

If you are not able to attend one of the in-person meetings, or there is no meeting in an area near you, you may dial in to a conference call. All you need is a touch-tone phone. Call **1-855-795-0633** to participate.

The conference call will last an hour and includes an explanation of the changes, an overview of the enrollment process and a description of the resources available to you. We encourage you to have a pen and paper available to note additional questions you may have during the call. You can follow up with an Extend Health benefit advisor after the call at **1-855-359-7381**.

If you have Internet access, you may view the meeting presentation slides. Log on to [www.extendhealth.com/uc](http://www.extendhealth.com/uc) and click on the link in the “Important Messages” section of the home page.

These meetings will occur this year only, to help with the transition. They will not be offered in later years.
Online support

If you prefer online help, go to the Extend Health website (www.extendhealth.com/uc) to:

- Take an assessment of your needs
- Learn about the plans available in your area
- Use decision making tools

Continuous support

Extend Health will answer your questions and assist with your retiree health care claims and/or HRA needs—before, during and after enrollment.

If you have questions or want to schedule an appointment with a benefit advisor, you can:

- Call 1-855-359-7381 Monday through Friday from 5:00 a.m. to 6:00 p.m. Pacific Time, or
- Go online to: www.extendhealth.com/uc
Key Deadlines and Actions to Take

**AUG**

**Early September**
Complete the pre-enrollment worksheet in the *Getting Started Guide* mailed to your home.

**SEPT**

**Sept. 9–Oct. 7**
Contact an Extend Health benefit advisor to begin the evaluation process and schedule an enrollment appointment.

**OCT**

**Sept. 19–27**
Attend a group meeting either in person or by phone.

**Nov.**

**Mid October**
*Enrollment Guide* mailed.

**OCT**

**Oct. 07–Dec. 30**
Enroll in a new health care plan through Extend Health for coverage effective Jan. 1, 2014.

**DEC**

**Mid December**
*HRA Welcome Kit* mailed.