



managed by Brookhaven Science Associates
for the U.S. Department of Energy

IMPORTANT HEALTHCARE COVERAGE INFORMATION FOR EMPLOYEES RETIRING FROM BROOKHAVEN SCIENCE ASSOCIATES, LLC (BSA)

Your active employee healthcare benefits end on your last day of employment with Brookhaven Science Associates, LLC (BSA). This letter will provide you with additional information on continuation of healthcare benefits.

Medical Plan

Benefits continuation will be in accordance with COBRA and the BSA Medical Plan. If you [and any of your eligible family members – spouse and/or child(ren)] are enrolled in the BSA Medical Plan as of your last day of employment with BSA and you are eligible for retiree medical benefits, the following information applies.

1. There are different coverages available to you and your eligible family members based on each participant's eligibility for Medicare. See below for more information.

For each participant who is not eligible for Medicare:

The non-Medicare eligible participant(s) will be offered retiree medical coverage under the applicable Aetna program in which the person was enrolled on the last day of employment at BSA. The Aetna Plan 4 High Deductible Health Plan (HDHP) is not available to retirees. If an employee is enrolled in the HDHP and wants to continue medical coverage as a retiree, he/she is required to elect one of the three Aetna Plans (1-3). For more information contact the Benefits Office at (631) 344-5126 or (631) 344-2877.

Information, including an election form and the cost of coverage, will be provided by P&A Group (our billing company) within two weeks from the employee's last day of employment. If you do not receive information from P&A Group within 15 business days from your last day of employment, please call P&A Group at (800) 688-2611. If you choose to elect retiree medical coverage, the election form must be completed, signed, and returned to P&A Group by the deadline stated in the letter.

It is important that you include your first premium payment with the election form. Based on your election and payment, your retiree medical coverage will be made effective retroactive to your last day of employment. P&A Group will bill you on a monthly basis for your medical coverage, although alternate arrangements such as ACH withdrawals are available.

When a participant who is currently not eligible for Medicare is approaching eligibility for Medicare, the participant will receive information from BSA and SelectQuote Senior on how to transition to the medical coverage available to Medicare-eligible participants. See below for more information.

For each participant who is eligible for Medicare:

You and/or any family member who is on your BSA medical coverage and is eligible for Medicare, must sign up for Medicare Parts A and B. The Benefits Office will provide you with the information on what you need to do to get started, including how to enroll for Medicare Parts A and B (which is required by BSA for Medicare-eligible participants to obtain retiree medical coverage). The Benefits Office will also provide a completed Request For Employment Information form for each Medicare-eligible person. This form is needed to enroll in Medicare Part B. You should begin the Medicare Part B enrollment process as far in advance of your retirement date as possible.

Each Medicare-eligible participant will receive information from the BSA Benefits Office and be offered retiree medical coverage through a private exchange with SelectQuote Senior. You must contact SelectQuote Senior at (866) 479-8317 to enroll for your new medical coverage. Through this exchange, participants will have an opportunity to select from plans with various levels of coverage and premiums. Family members who are eligible for Medicare do not need to elect the same medical plan. SelectQuote Senior will assist participants in electing the healthcare plan for medical and prescription drug coverage that is best aligned with their needs for both coverage and cost. If you are Medicare-eligible and choose to elect retiree medical coverage, you must enroll through SelectQuote Senior.

You need to elect a medical program through SelectQuote Senior no later than the end of the month that coincides with your Medicare Part A and Part B effective date. You may also elect a prescription drug plan through SelectQuote Senior. However, you have no later than the end of the next month after your last day of employment with BSA to have your new medical coverage through SelectQuote Senior in place.

Until that date, your coverage can be continued under the applicable Aetna program in which you were enrolled on the effective date of your separation of employment. If, however, you are enrolled in Aetna Plan 4, the HDHP, on the effective date of your separation of employment, if you are eligible for retiree medical coverage, Plan 4 is not available to you in retirement. You must elect one of the three Aetna Plans (1-3). See below for additional information regarding such continuation of coverage.

In order to continue medical coverage you must complete an election form. Information regarding continuation of medical coverage, including the election form and the cost of continuing the Aetna coverage, will be provided by P&A Group (our billing company) within two weeks from your last day of employment. If you do not receive information from P&A Group within 15 business days from your last day of employment, please call P&A Group at (800) 688-2611. If you choose to elect retiree medical coverage, the election form must be completed, signed, and returned to P&A Group with the required payment by the deadline stated in the letter. You should consider scheduling medical appointments and prescription drug refills accordingly, as it may be a few weeks before your elected retiree medical coverage is in place.

It is important that you include your first premium payment for any applicable Aetna coverage with the election form. Based on your election and payment, your retiree medical coverage will be made effective retroactive to your last day of employment. P&A Group will bill you on a monthly basis for any applicable Aetna coverage, although alternate arrangements such as ACH withdrawals are available.

You cannot have a break between the applicable Aetna program and your coverage through SelectQuote Senior - unless you have suspended your coverage. See item 2 below.

Once you are enrolled for coverage through SelectQuote Senior, you will pay your premiums directly to the medical insurance company with which you have enrolled for coverage. You will also pay your premiums directly to the prescription drug company, if you have elected such coverage. At that time, your Medical Plan premiums to P&A Group and your Aetna medical coverage will cease. Your required P&A payments for Medical Plan coverage must be paid in full to P&A Group before you can be eligible for coverage under BSA's retiree medical program through SelectQuote Senior - and the applicable Health Reimbursement Account contribution from BSA described below.

In 2017, BSA will make a monthly contribution of \$170 per Medicare-eligible participant to a Health Reimbursement Account (HRA) set up on your behalf. For example, if you and your spouse are both eligible for Medicare, the monthly HRA contribution will be $\$170 \times 2 = \340 . This amount will be put into a joint HRA that will be set up for you to share. You will receive more information on the HRA from the Taben Group, the HRA administrator. You must enroll in a medical plan through SelectQuote Senior in order to be eligible for the HRA contribution. You do not have to enroll in a prescription drug plan through SelectQuote Senior to be eligible for the HRA contribution.

2. If you are eligible for retiree medical coverage, you may suspend the coverage through BSA (a) if and when you are subsequently employed elsewhere or (b) at the time you terminate employment if you have coverage available through your spouse's employer or (c) if and when you obtain coverage through your spouse's employer. Such coverage may only be reinstated during the applicable open enrollment period (effective January 1 of the following calendar year) or when a qualifying event occurs. If you want to suspend your coverage after the effective date of your separation of employment, indicate this on the P&A election form.
3. In lieu of retiree medical coverage, if you (or an eligible family member) are eligible for continued medical coverage under the COBRA, you may elect COBRA medical coverage – which is a continuation of your coverage under your current Medical Plan. You must pay the applicable COBRA premiums (102% of the full cost of the Plan). BSA does not subsidize the cost of COBRA medical coverage.

Information, including COBRA eligibility, an election form, and the cost of coverage, will be provided by P&A Group (our billing company) within two weeks from your last day of employment. If you do not receive information from P&A Group within 15 business days from your last day of employment, please call P&A Group at (800) 688-2611. The election form must be completed, signed, and returned to P&A Group by the deadline stated in the letter.

It is important that you include your first premium payment with the election form. Based on your election and payment, your medical coverage will be made effective retroactive to your last day of employment. P&A Group will bill you on a monthly basis for your medical coverage, although alternate arrangements such as ACH withdrawals are available.

You should consider scheduling medical appointments and prescription drug refills accordingly, as it may be a few weeks before your elected retiree medical coverage is in place.

Dental Plan

Benefits continuation will be in accordance with the Consolidated Omnibus Budget Reconciliation Act (COBRA) and the BSA Dental Plan. If you [and any of your eligible family members – spouse and/or child(ren)] are enrolled in the BSA Dental Plan as of your last day of employment with BSA, the following information applies.

If you (or an eligible family member) are eligible for continued dental coverage under COBRA, you may elect COBRA dental coverage – which is a continuation of your coverage under your current dental plan. You must pay the applicable COBRA premiums (102% of the full cost of the plan). BSA does not subsidize the cost of COBRA dental coverage.

Information, including COBRA eligibility, an election form, and the cost of coverage, will be provided by P&A Group (our billing company) within two weeks from your last day of employment. If you do not receive information from P&A Group within 15 business days from your last day of employment, please call P&A Group at (800) 688-2611. The election form must be completed, signed, and returned to P&A Group by the deadline stated in the letter.

It is important that you include your first premium payment with the election form. Based on your election and payment, your dental coverage will be made effective retroactive to your last day of employment. P&A Group will bill you on a monthly basis for your dental coverage, although alternate arrangements such as ACH withdrawals are available.

You should consider scheduling dental appointments accordingly as it may be a few weeks before your elected dental coverage is in place.

For additional information, please contact the BSA Benefits Office at (631) 344-5126 or (631) 344-2877.

Sincerely,

Brookhaven Science Associates, LLC
Benefits Office

BSA reserves the right to amend or terminate the benefit programs at any time and for any reason.