Dear Retiree and/or Eligible Dependents:

For 2019, Aetna will continue to be your medical plan carrier and CVS Caremark will continue to be your prescription plan carrier. You will use your current Aetna & CVS ID cards.

For 2019, all retirees, covered spouses, and dependents who are NOT Medicare eligible, have the option of enrolling in either the PPO Plan or the PPO Savings Plan. **NO ACTION IS NEEDED IF YOU WANT TO REMAIN IN YOUR CURRENT NON-MEDICARE PLAN.**

If you, your eligible spouse, and dependents want to change health care plans, please complete the enclosed 2019 Non-Medicare Retiree Plan Change Form and return it to Penn State Employee Benefits via mail or fax by **November 26, 2018**. Retiree dependent coverage can be added only if the eligible dependent experiences an IRS qualifying life event change. Changes must be requested within 31 days of the event by contacting Penn State HR Services at 814-8658-1473 and requesting a Retiree Request for Change Form.

**Members of your family who are already enrolled in the Highmark Medicare plan will remain so for 2019.**

**2019 Aetna PPO Plan**

- **Copayments:**
  - Primary Care Office Visit copay: $20
  - Specialist Office Visit & Urgent Care copay: $30
  - Emergency Room copay: $100

- **2019 Annual Deductible:**
  - Individual: $375
  - Family (Individual + 1 or more): $750
  - Medical services subject to deductible: lab work, x-rays, surgery, inpatient admissions, durable medical equipment

After Deductible is met:

- **Coinsurance:**
  - 10% paid by employee
  - 90% paid by Penn State

**NEW for 2019 – 3 levels of coinsurance for Laboratory Services**

1. **Laboratory services** performed at Quest Diagnostics, LabCorp, in an emergency room, or through in-network Inpatient Hospital Services

- **Coinsurance:**
  - 10% paid by employee
  - 90% paid by Penn State

Penn State is committed to affirmative action, equal opportunity, and the diversity of its workforce.
2. Laboratory services at any other in-network laboratory  
❖ Coinsurance:  
  • 30% paid by employee  
  • 70% paid by Penn State  

3. Laboratory services at Out-of-Network laboratory  
❖ Coinsurance:  
  • 50% paid by employee  
  • 50% paid by Penn State  

Find locations at: QuestDiagnostics.com/MyQuest or call 1-888-277-8772  
LabCorp.com or call 1-888-LAB-Corp  
Aetna Concierge at 1-855-878-4197  
❖ Coinsurance Out of Pocket Maximum:  
  • $1,250 Individual (Potential financial exposure $1,625 = coinsurance + deductible)  
  • $2,500 Family (Potential financial exposure $3,250 = coinsurance + deductible)  

If coinsurance out-of-pocket maximum is met, medical claims are paid at 100% for the rest of the calendar year  

❖ Prescription Out-of-Pocket Maximum: $2,000 per person, $8,000 family maximum  
(Prescription out-of-pocket maximum is separate from medical deductible, coinsurance, and copayments)  

The PPO Plan 2019 contribution rates WILL NOT CHANGE and are listed below:  

| PPO Plan 2019 Premium Contributions |  
|-------------------------------|------------------|  
| Coverage Tier                 | Monthly Contribution |  
| Individual                    | $177.96           |  
| Two-Person                    | $355.92           |  
| Parent/Child/Children         | $266.94           |  
| Family                        | $444.90           |  

2019 Aetna PPO Savings Plan  
❖ 2019 Annual Deductible:  
  • Individual: $1,600  
  • Family (Individual + 1 or more): $3,200  
  • ALL services subject to deductible: office visits, emergency room services, lab work, x-rays, surgery, inpatient admissions, durable medical equipment, and prescriptions  

After Deductible is met:  
❖ Medical Coinsurance:  
  • 10% paid by employee  
  • 90% paid by Penn State  

Penn State is committed to affirmative action, equal opportunity, and the diversity of its workforce.

Penn State Employee Benefits, The 331 Building, Suite 136, University Park, PA 16802  
Phone: (814) 865-1473, Fax: (814) 865-7145
NEW for 2019 - 3 levels of coinsurance for Laboratory Services

1. Laboratory services performed at Quest Diagnostics, LabCorp, in an emergency room, or through in-network Inpatient Hospital Services
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   • 70% paid by Penn State

3. Laboratory services at Out-of-Network laboratory
   ❖ Coinsurance:
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Find locations at: QuestDiagnostics.com/MyQuest or at 1-888-277-8772
LabCorp.com or at 1-888-LAB-Corp
Aetna Concierge at 1-855-878-4197

Prescription Retail & Mail Order Coinsurance:
   • Generic: 10%
   • Formulary Brand: 20%
   • Non-Formulary Brand: 40%

Specialty Prescription Coinsurance:
   • Formulary: 20% coinsurance; $65 minimum
   • Non-Formulary: 40% coinsurance; $100 minimum

Medical & Prescription Coinsurance Out-of-Pocket Maximum:
   • $1,975 Individual Coverage Only
     (Potential Financial Exposure = $3,575 including deductible)
   • $3,950 Family Coverage
     (Potential Financial Exposure = $7,150 including deductible)

If medical and prescription coinsurance out-of-pocket maximum is met, medical and prescription drug claims are paid at 100% for the rest of the calendar year

Health Savings Account with HealthEquity
❖ 2019 ANNUAL HSA Maximum contributions:
   • $3,500 for Individual
   • $7,000 for Family
❖ All contributions are made via the HealthEquity website or by mail to HealthEquity
❖ Log on to the HealthEquity website at www.myhealthequity.com.
❖ Catch-up contribution of $1,000 for age 55 and older

Penn State is committed to affirmative action, equal opportunity, and the diversity of its workforce.
Upon becoming Medicare-eligible, you will move to the Medicare plan offered by the University at that time; you will no longer be able to contribute to the HSA, but will be able to use the balance in the HSA for future medical and prescription drug expenses.

Please consult your tax advisor to determine how your HSA contributions should be reported for tax purposes.

All questions regarding using your HSA should be directed to HealthEquity at 866-346-5800.

The PPO Savings Plan 2019 contribution rates WILL NOT CHANGE and are listed below:

<table>
<thead>
<tr>
<th>Coverage Tier</th>
<th>Monthly Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual</td>
<td>$128.45</td>
</tr>
<tr>
<td>Two-Person</td>
<td>$256.90</td>
</tr>
<tr>
<td>Parent/Child/Children</td>
<td>$192.68</td>
</tr>
<tr>
<td>Family</td>
<td>$321.14</td>
</tr>
</tbody>
</table>

Lifetime Benefit Solutions (LBS) will continue to bill you on a quarterly basis in 2019. Information about your coverage, premium due dates and copies of letters can be securely accessed through the LBS Member Portal. Please refer to the Welcome Letter for your registration information.

If you have any questions regarding registration or your premium, please contact Lifetime Benefit Solutions Customer Service Department at 1-800-828-0078, Monday through Thursday from 8:00 AM to 5:00 PM and Friday from 9:00 AM to 5:00 PM EST.

Information regarding rates and plan designs can be found on the website at hr.psu.edu/retirees

Sincerely,

Penn State Employee Benefits