

# OneExchange



Helping You Prepare For Your Upcoming Medicare Enrollment

# What's Changing

- **Associated Universities, Inc./NRAO** is changing the way they currently provide health care benefits to retirees.
- This plan impacts eligible retirees & spouses age 65 and older
- Retirees & spouses under age 65 remain on Cigna - High Deductible Plan.

# What We'll Cover Today

- What is changing and why
- How this affects you
- Introducing OneExchange
- Medicare marketplace
- Going forward
- Questions & answers

# What is Changing and Why

- **Group Cigna plan coverage ends 3/31/2014.**
  - Full suite insurance – covering more than retirees actually use.
  - Affordable Care Act compliant.
  - Made plan MUCH more expensive.
- **NSF funding reduced in previous years, continues at lower amounts.**
  - Entire benefits budget ran over 2 years in a row.
  - Could not continue to operate during Gov't shutdown.

# Why This Approach

- Allows retirees to have more choice and the ability to customize their health care coverage
- OneExchange specializes in providing these services for retirees across the U.S.
- Reduces budget burden on AUI/NRAO while continuing to deliver meaningful benefit.
- Achieves more predictability in company costs. This will allow **AUI/NRAO** to remain competitive and to provide strong benefits

# How This Affects You

## What you pay

- May change – depending on what coverage you choose

## How you enroll

- You will work with OneExchange to enroll in a plan that meets your medical and prescription needs. We will also help you establish your Health Reimbursement Account

## Your support

- OneExchange Advisors will help you understand the costs associated with your coverage – premiums, co-payments, deductibles and all other costs

# About OneExchange Retiree (formerly Extend Health)

Towers Watson  
**over  
100**  
years experience

More than **500,000**  
retirees served across  
**300+** employers

Licensed advisor provides  
**guidance** and **lifetime  
advocacy**

Personalized options with  
**thousands of plans** across  
**90 carriers**

Towers Watson's fourth business segment  
**Exchange Solutions**  
purchased by Towers Watson in 2012

**\$100M** invested in  
proprietary  
technology

2014 will be  
**10<sup>th</sup> annual**  
enrollment season

**First** and **Largest**  
private Medicare Exchange  
Founded in **2004**

# Blue Chip Private Company Clients



Marathon  
Petroleum Corporation



TimeWarner

**More than 500,000 Retirees Enrolled in New Coverage**



# Laboratories / Security Sector



# Your Transition

**Transitioning the way access is provided to retiree health benefits for Medicare-eligible retirees and their Medicare-eligible spouses**

- **Towers Watson's OneExchange has been chosen after an extensive evaluation of choices**
- **OneExchange will help you with total care in transitioning over to more-effective individual Medicare health insurance**
- **The private exchange offers greater choice and flexibility; many affordable choices exist and in many cases provide more value at a lower cost than an employer group plan**
- **Ongoing support – at no cost to you**

# Why OneExchange?

## White-Glove Service

### Consultative Process



### Simplified Selection



### Effortless Enrollment



### Lifetime Advocacy



#### **Consultative process:**

- Your Benefit Advisor will determine coverage needs and thoroughly research your options

#### **Selection Process:**

- Your Benefit Advisor will provide the guidance you need to easily understand your Medicare options

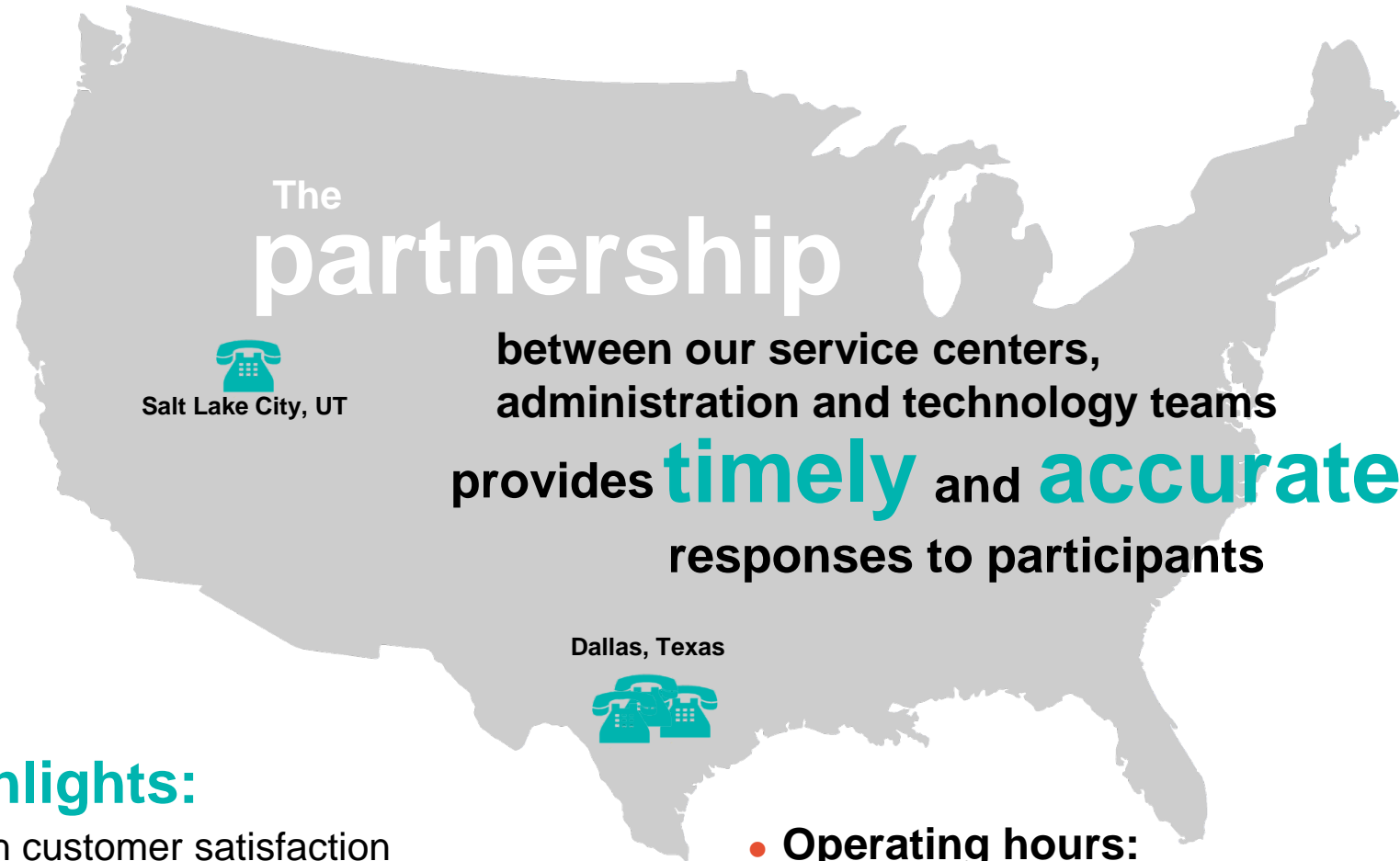
#### **Enrollment Process:**

- 100% paperless, telephonic enrollment
- Secure and efficient

#### **Advocacy:**

- Specialized and focused ; trained in insurance, Medicare and issue resolution

# Our Service Centers



## Highlights:

- High customer satisfaction
- All conversations are recorded
- Multilingual support
- **Operating hours:**
  - M-F 8am-9pm ET
  - M-F 7am-8pm CT
  - M-F 6am-7pm MT
  - M-F 5am-6pm PT

# Plans and Partners

## All Medicare Plan Types

Medicare Supplement  
(Medigap)

Medicare Advantage

Prescription Drug  
(Part D)

A few examples of the carriers on our Medicare exchange:



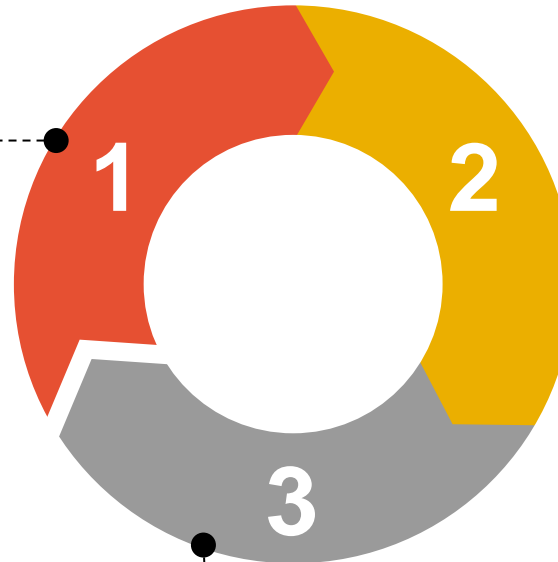
Thousands of plans from more than 90 national/regional carriers

# The OneExchange Process

## 1. Educate

Before Enrollment

- Introduction to OneExchange via mailer outreach
- Opportunity to participate in live transition meetings
- Enrollment Guide



## 2. Evaluate/Enroll

During Enrollment

- Process overview provided
- In-depth needs analysis given
- Suitable plan(s) are recommended

## 3. Manage

After Enrollment

- Claims support provided
- Advocacy assistance provided

# Education

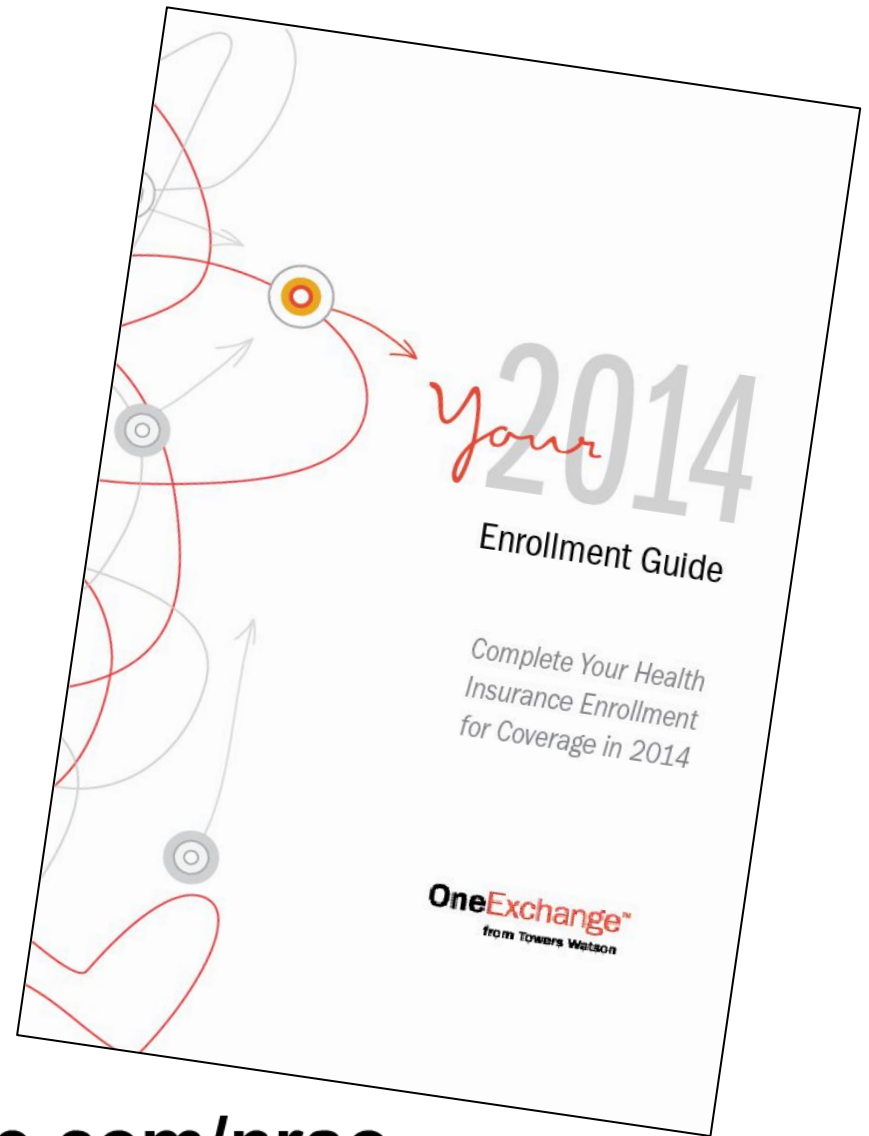
## Enrollment Guide

### Prepare for your enrollment consultation

- Gather your info and make your First Contact Call

**1-855-873-0098**

**[medicare.oneExchange.com/nrao](http://medicare.oneExchange.com/nrao)**



# Decision Support Tools

- Help Me Choose
- Prescription Profiler

The screenshot shows the Medicare Prescription Profiler tool interface. At the top, there are navigation tabs for 'MEDICARE' and 'HEALTH INSURANCE'. Below the tabs, there are links for 'Shop Plans', 'Help Me Choose', 'Prescription Profiler™', and 'Understanding Medicare'. The main heading is 'Prescription Profiler™' with a sub-heading 'Search Medicare plans using your list of prescriptions to find your lowest-cost coverage options.'

On the left side, there is a section for 'Applicant Details' with the following information: Zip Code: 94303, County: San Mateo, Gender: Male, Born: 6/20/1948, Tobacco use: No, Disabled: No, Coverage Starts: 7/1/2013. There is a 'Change details' link. Below this is a 'Speak to an Expert' section with contact information: 1-866-322-2824 (TTY: 711), Mon-Fri 8:00am - 9:00pm Eastern.

The main content area has two steps: '1 Enter your prescriptions' and '2 Select your pharmacy (optional step)'. Step 1 includes a text input field for 'Enter the name of the medication', a 'Search' button, and a 'Hide OTC drugs' checkbox. Step 2 includes a 'Find my pharmacy' button. A green 'Go' button is located at the bottom right of the form.

**medicare.oneExchange.com/nrao**

**24/7 access to your information**



# Benefit Advisor Profile



- **Candidate profile:**
  - Service Oriented
  - Healthcare and Financial experience
- **Licensed / Certified / Appointed**
  - Highly trained –OneExchange University™
  - State-licensed
  - Certified by the insurance carriers
  - Client-specific training
- **Multiple service centers**
  - Richardson, Texas
  - South Jordan, Utah
- **100% of workforce is US-based – no outsourcing**
- **Objective and Unbiased Advice**
  - Neutral compensation
  - Incentives for quality customer service
- **Unlimited call duration**

## Hours of Operation

Monday – Friday

8am – 9pm

Eastern Time

6am – 7pm

Mountain Time

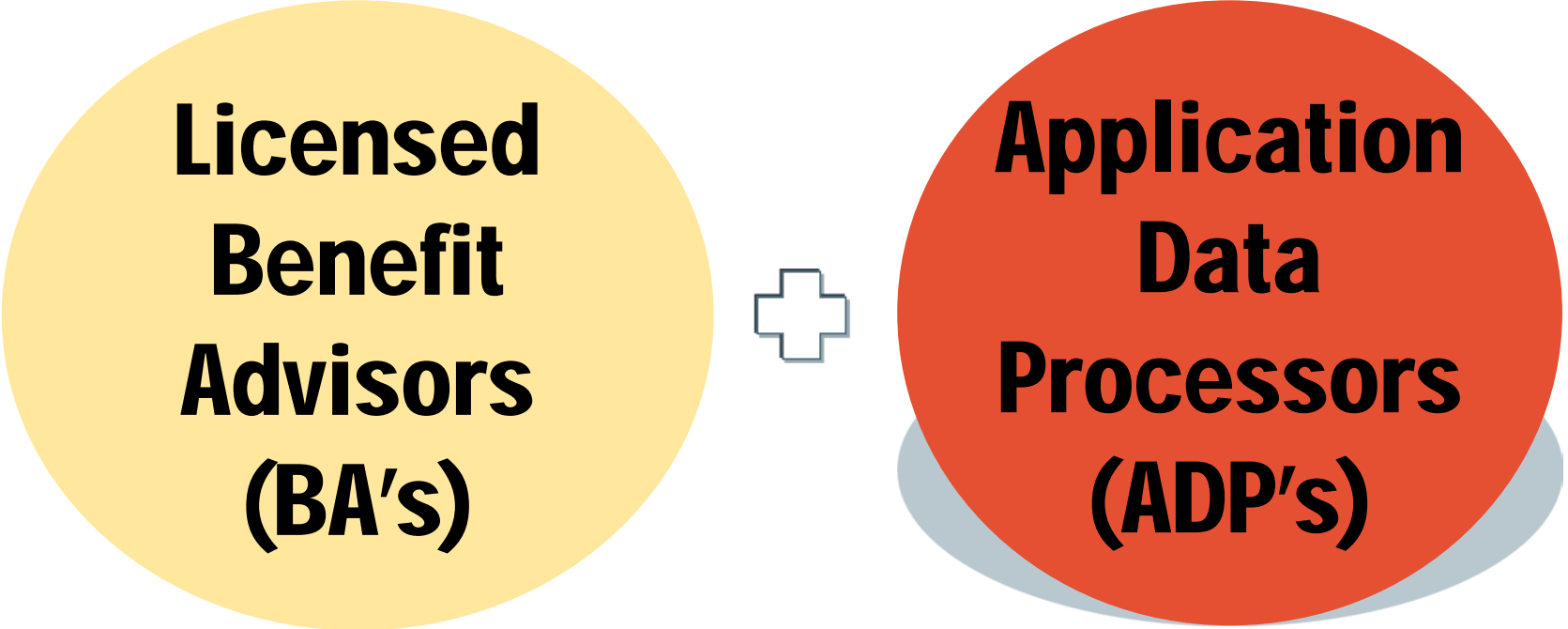
# Enrollment Process



- **Benefit Advisors can discuss coverage options with anyone – need to speak to the participant (or durable POA) to complete the enrollment**
- **Once you have made a coverage selection, enrollment is conducted via telephone**
- **100% of calls are recorded**

# Tag-Team Enrollment Expertise

- **Allows BA's to Have More Time for Consultations**
- **Ensures Accuracy of Application Submissions**



Licensed  
Benefit  
Advisors  
(BA's)

Licensed / Certified / Appointed by  
Departments of Insurance; the experts in  
probing health plan needs and helping to  
recommend the right plan

Application  
Data  
Processors  
(ADP's)

Trained in carrier enrollment applications;  
the experts in accurately filling out the  
paperless applications to optimize first-  
time acceptance by the carriers

# The Main Issue – Why You Need Insurance

CMS

Original  
Medicare  
Part A  
&  
Part B

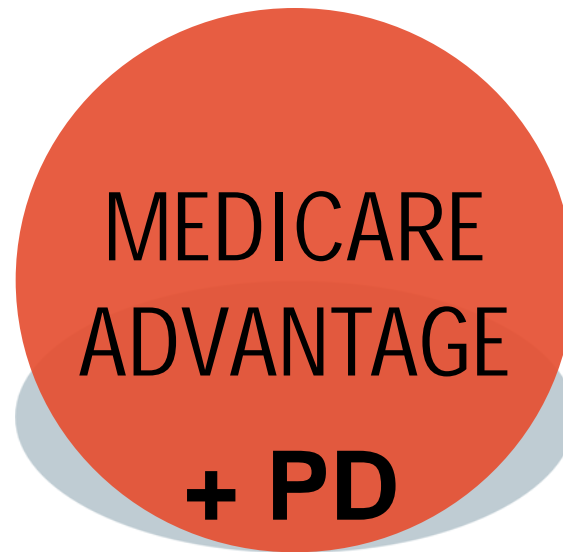
Exposures



Medigap  
+  
Part D

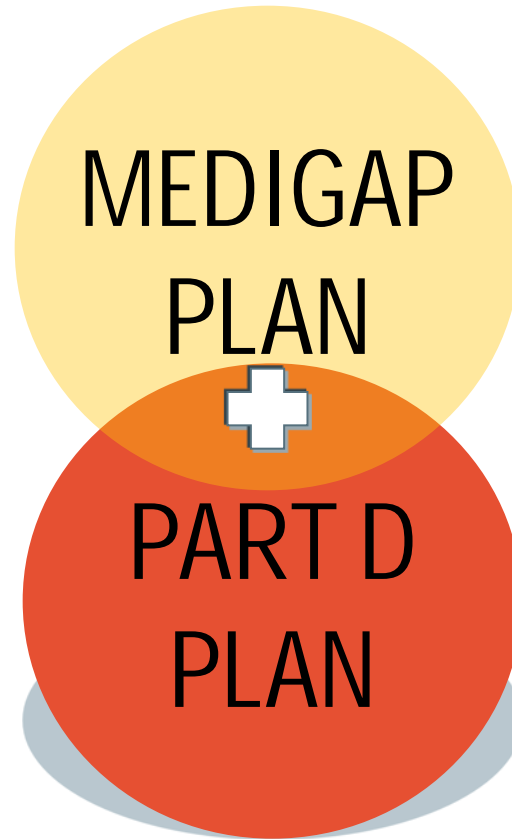
Medicare  
Advantage

# **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 will need to pay your first premium when you enroll in coverage**



# Location Specific plans

# Plans Available in Socorro Area

<b>Plan Type</b>	<b>Number of Plans Offered</b>	<b>2014 Monthly Premium Range</b>
<b>Medicare Advantage</b>	<b>6</b>	<b>\$0 - \$132</b>
<b>Medigap / Medicare Supplement</b>	<b>16</b>	<b>\$63 - \$238</b>
<b>Part D</b>	<b>17</b>	<b>\$13 - \$126</b>



# Ancillary Coverage Socorro Area

Plan Type	Number of Plans Offered	2014 Monthly Premium	Company
Vision	1	<b>\$14 per person per month</b> <b>Annual eye exam: \$15</b> <b>Coverage for eye glasses, lenses and frames</b>	<b>Vision Service Plan (VSP)</b>
Dental	4	<b>\$18 - \$46</b> <b>Monthly premium</b> <b>\$50 - \$75</b> <b>deductible</b> <b>\$750 - 1,500 annual maximum</b>	<b>Delta Dental,</b> <b>Humana,</b> <b>Metlife (2)</b>

# Medicare Advantage Plan – Socorro Area

Benefit	Cost	2014
Premium	\$27	
Network	PPO	
Deductible	\$0	
Doctor Copay	In: \$10/ Out: 30% of Cost	
Specialist Copay	In: \$35/ Out: 30% of Cost	
Hospital	In:\$150 copay per days: 1-7/ Out: \$300	
Emergency Room	\$65 unless admitted to the hospital	
Deductible	\$0	
RX (30 day supply)	\$0/ \$2/ \$39/ \$85/ 33%	
Mail Order (90 day supply)	\$12.50 / \$17.50 / \$110 / \$237.50	

# Medigap Plan F + PDP (75 year old male) NM

Benefit	Cost 2014	
Premium	\$202 (\$187.82 Medical + \$23 PDP)	
Network	Any doctor who accepts Medicare	
Deductible	\$0	
Doctor Copay	\$0	
Specialist Copay	\$0	
Hospital	\$0	
Emergency Room	\$0	
Deductible	\$0	
Rx	\$0/ \$19/ \$40/ \$90/ 33%	30 day supply
Mail Order	\$0/ \$38/ \$80/ \$180	90 day supply

# Plans Available in Charlottesville Area

<b>Plan Type</b>	<b>Number of Plans Offered</b>	<b>2014 Monthly Premium Range</b>
<b>Medicare Advantage</b>	<b>4</b>	<b>\$0 - \$81</b>
<b>Medigap / Medicare Supplement</b>	<b>14</b>	<b>\$60 - \$217</b>
<b>Part D</b>	<b>17</b>	<b>\$13 - \$125</b>

# Ancillary Coverage in Charlottesville Area

Plan Type	Number of Plans Offered	2014 Monthly Premium	Company
Vision	1	<b>\$14 per person per month</b> <b>Annual eye exam: \$15</b> <b>Coverage for eye glasses, lenses and frames</b>	<b>Vision Service Plan (VSP)</b>
Dental	4	<b>\$22 - \$46</b> <b>Monthly premium</b> <b>\$50 - \$75</b> <b>deductible</b> <b>\$750 - 1,500 annual maximum</b>	<b>Delta Dental, Humana, Metlife (2)</b>

# Medicare Advantage Plan - Charlottesville

Benefit	Cost	2014
Premium	\$0	
Network	HMO	
Deductible	\$0	
Doctor Copay	\$15	
Specialist Copay	\$40	
Hospital	\$275 copay per days: 1-6	
Emergency Room	\$65 unless admitted to the hospital	
Deductible	\$0	
Rx	\$6/ \$15/ \$45/ \$95/ 33%	(30 day supply)
Mail Order (90 day supply)	\$0 / \$0 / \$125 / \$275	

# Medigap Plan F + PDP (75 year old male) VA

Benefit	Cost 2014	
Premium	\$218.15 (\$201.85 Medical + \$16.30 PDP)	
Network	Any doctor who accepts Medicare	
Deductible	\$0	
Doctor Copay	\$0	
Specialist Copay	\$0	
Hospital	\$0	
Emergency Room	\$0	
Deductible	\$0	
Rx	\$0/ \$16/ \$40/ \$90/ 33%	30 day supply
Mail Order	\$0/ \$32/ \$80/ \$180	90 day supply

# Plans Available in Green Bank

<b>Plan Type</b>	<b>Number of Plans Offered</b>	<b>2014 Monthly Premium Range</b>
<b>Medicare Advantage</b>	<b>12</b>	<b>\$0 - \$170</b>
<b>Medigap / Medicare Supplement</b>	<b>15</b>	<b>\$73 - \$230</b>
<b>Part D</b>	<b>17</b>	<b>\$13 - \$169</b>



# Ancillary Coverage – Green Bank Area

Plan Type	Number of Plans Offered	2014 Monthly Premium	Company
Vision	1	<b>\$14 per person per month</b> <b>Annual eye exam: \$15</b> <b>Coverage for eye glasses, lenses and frames</b>	<b>Vision Service Plan (VSP)</b>
Dental	4	<b>\$19 - \$46</b> <b>Monthly premium</b> <b>\$50 - \$75</b> <b>deductible</b> <b>\$750 - 1,500 annual maximum</b>	<b>Delta Dental, Humana, Metlife (2)</b>

# Medicare Advantage Plan – Green Bank

Benefit	Cost	2014
Premium	\$88	
Network	PPO	
Deductible	\$0	
Doctor Copay	In: \$15 / Out: 20% of Cost	
Specialist Copay	In: \$35 / Out: 20% of Cost	
Hospital	In:\$260 copay per days: 1-7/ Out: 20%	
Emergency Room	\$65 unless admitted to the hospital	
Deductible	\$0	
Rx	\$7/ \$18/ \$45/ \$95/ 33% (30 day supply)	
Mail Order	\$0 / \$0 / \$125 / \$275.00 (90 day supply)	

# Medigap Plan F + PDP (75 year old male) WV

Benefit	Cost 2014	
Premium	\$226.05 (\$202.95 Medical + \$23.10 PDP)	
Network	Any doctor who accepts Medicare	
Deductible	\$0	
Doctor Copay	\$0	
Specialist Copay	\$0	
Hospital	\$0	
Emergency Room	\$0	
Deductible	\$0	
Rx	\$0/ \$12/ \$40/ \$90/ 33%	30 day supply
Mail Order	\$0/ \$24/ \$80/ \$180	90 day supply

# Medicare Prescription Drug Coverage



## Deductible

- You Pay Full Retail Until Deductible is Met



## Initial Coverage

- You Pay Co-pays for your plan coverage for the first \$2850 in actual costs of Medications



## Coverage Gap

- You pay 47.5% of Brand Name and 72% of Generics until your out of pocket costs reach \$4550



## Catastrophic Coverage

- You Pay \$2.55 for Generics and \$6.35 for Brand Name
- Or 5% whichever is greater

**OneExchange**

# 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, your former employer will make an annual contribution to a Health Reimbursement Arrangement (HRA)
- You may use HRA funds to reimburse yourself for eligible medical expenses which include premiums that you pay coverage for (including Medicare Part B) and certain out-of-pocket expenses such as copays and coinsurance
- Your HRA funds will be available **April 1<sup>st</sup>**

# Health Reimbursement Arrangement (HRA)



## HRA Arrangement

Administered by  
OneExchange



### *NRAO*

allocates  
benefit dollars  
to each retiree's  
HRA

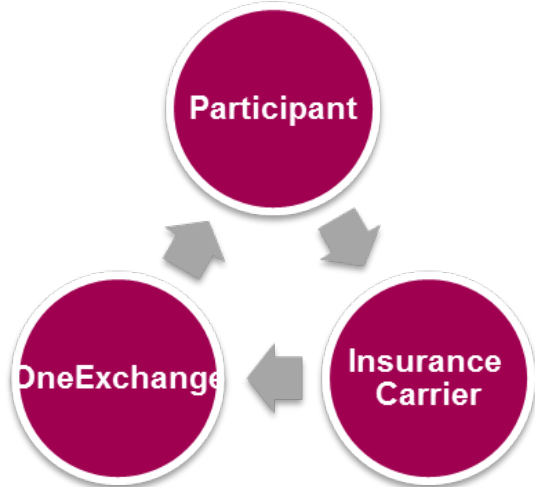
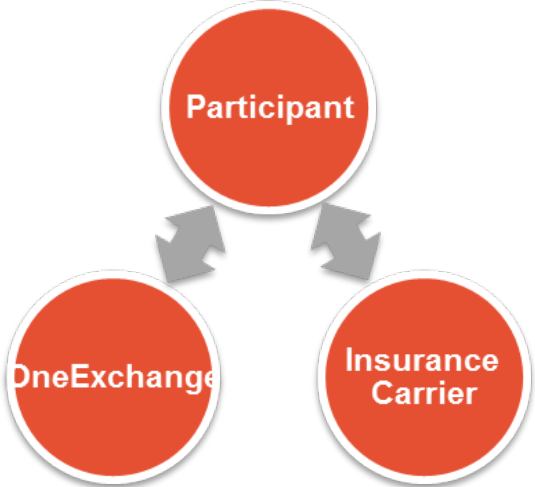
Participant  
works through  
OneExchange  
to enroll in  
individual  
coverage

Retirees are  
reimbursed for  
eligible health  
care expenses  
using HRA  
benefit dollars

# Reimbursement options

1.  
Manual Claims

2.  
Automatic  
Reimbursement





# Auto-Reimbursement (AR)

- **Service offered by OneExchange**
- **Available on most plans**
- **Works for premium reimbursement only**
- **No claim form is required**
- **Can take 2-3 billing cycles to initiate**
- **If you need your reimbursement sooner, simply file a paper claim. The form and instructions will be provided in your HRA Welcome Kit**

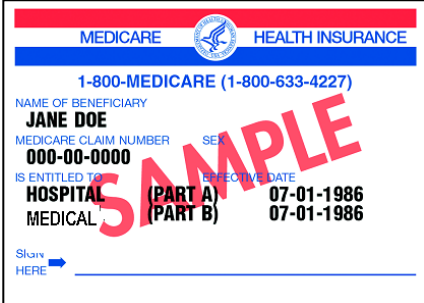


**One**Exchange

# Next Steps

# What You Need To Do: Action Required!

- You **MUST** enroll in Medicare Part B if not already enrolled
  - contact the SSA



A sample Medicare Health Insurance card for Jane Doe. The card is titled "MEDICARE HEALTH INSURANCE" and includes the toll-free number 1-800-MEDICARE (1-800-633-4227). The beneficiary's name is JANE DOE, and her Medicare claim number is 000-00-0000. The card indicates she is entitled to HOSPITAL (PART A) and MEDICAL (PART B) coverage, both effective on 07-01-1986. A large red "SAMPLE" watermark is overlaid on the card. At the bottom, there is a "SIGN HERE" label with a blue arrow pointing to a line.

- Contact OneExchange at your toll free #
  - Make a first contact call now and schedule an enrollment appointment
- Enroll in your new coverage
  - Call us during your scheduled appointment time
  - You are guaranteed coverage



# Your First Contact Call – We're Ready!

**Review Enrollment Guide**



**Gather Medicare card,  
Prescriptions and  
Doctors/Hospital information**



**Call OneExchange  
1-855-873-0098**

# Enrollment Confirmation Notice

**Selection Confirmation**

**OneExchange™**  
from Towers Watson

Your applications have been submitted for the plans listed below

CLIENT LOGO

1 1 SP 0.900  
 \*\*\*\*\*SNGLP T1 P1  
 <First Name> <Last Name>  
 <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 Extend Health 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.

PLAN NAME	PREMIUM	DESIRED COVERAGE START DATE	<Y/N> AUTO REIMBURSEMENT
<Medical carrier name, plan name that might be more than two lines> <b>Confirmation #:</b> < App Confirmation ID>	\$000.00 per month	Month DD, YYYY	<Medical auto reimbursement status>
<Part D carrier name, plan name that might be more than two lines> <b>Confirmation #:</b> < App Confirmation ID>	\$000.00 per month	Month DD, YYYY	<RX auto reimbursement status>
<Dental carrier name, plan name that might be more than two lines> <b>Confirmation #:</b> < App Confirmation ID>	\$000.00 per month	Month DD, YYYY	< Dental auto reimbursement status>
<Vision carrier name, plan name that might be more than two lines> <b>Confirmation #:</b> < App Confirmation ID>	\$000.00 per month	Month DD, YYYY	<Vision auto reimbursement status>

(page 1 of 3)  
LTR.SC.2014

**Features: Sent once a participant has enrolled into a plan**

Confirms all plan selections and enrollments

- Carrier Name
- Plan Name
- Confirmation Number
- Premium
- Coverage Effective Date
- Whether or not they have selected Automatic Reimbursement

What Happens Next

- Expectations on Carrier correspondence, including ID Cards
- Subsidy Packet
- Automatic Reimbursement
- Direct Deposit

# Personal Guidance: For a Lifetime



## A lifetime advocate:

- Navigation
- Enrollment
- Claim issues
- Denied policies
- Affordability concerns
- Prescription
- Late enrollment
- HRA
- Annual plan review

# Why OneExchange Retiree



## Experience

First and largest Medicare Exchange; private



## Satisfaction

99% client retention rate  
Average retiree satisfaction 9.2/10.0



## Relationship

As life happens, we are here for you



## Technology

Most automated connections, across 90 carrier partners



## Size and Strength

300 employers and 500,000 retirees being served



## People

Objective and personal touch through stringent training processes and CMS compliance criteria

# Frequently Asked Questions

## **Q: Do you offer plans that cover me in multiple states-I am a snowbird?**

*A: Medigap plans are accepted by every Medicare-participating provider in the U.S., with some emergency benefits worldwide. If you travel frequently or live part of the year out-of-state, these plans may be right for you. Part D plans provide nationwide coverage from participating pharmacies. Medicare Advantage plans cover urgent and emergency services nationwide, but some may not provide nationwide coverage for non-emergency services. If you live part of the year out-of-state, these plans may not be right for you.*

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

*A: When you enroll in a new plan, you will need to begin making premium payments to the insurance company in order to maintain your coverage. Some insurance companies may require the first month's premium payment during the application process. In this case, you should expect to make a payment within a few days of your enrollment. Please have your billing information ready when you make your enrollment call to OneExchange.*

*Most insurance companies give you several billing options for ongoing payments: direct billing, paid by check each month, Electronic Funds Transfer from your checking account, or automatic deduction from your social security check. You can choose to pay monthly, quarterly, or yearly.*



# Frequently Asked Questions

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

*A: Every year you will have a Medicare Annual Enrollment Period during which you may investigate other medical and drug plans and potentially enroll in a different plan. However, during future Medicare Annual Enrollment Periods your medical conditions at that time may limit the plans available to you. You will receive notification from OneExchange of the Medicare Annual Enrollment Period (October 15-December 7); we encourage you to contact us should you have any questions.*

**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?**

*A: If you enroll in a Medigap plan when you first transition from group coverage you are guaranteed issue. If you then wish to change to another Medigap in the future, you will go through Medical underwriting. You will not necessarily be denied, but your monthly premiums could be higher. Your policy cannot be cancelled once you are enrolled unless you do not pay your premiums and your rate will not be raised for medical reasons. If you wish to enroll in a Medicare Advantage plan, they are always guaranteed issue.*

# Frequently Asked Questions

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

*A: Yes, during annual enrollment each fall. You will need to enroll into Medical or prescription drug plan coverage to be eligible for the HRA funding.*

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

*A: Yes. OneExchange can assist you with individual plan coverage consultation but you will not be eligible for the program subsidy.*

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

*A: In general, insurance premiums do increase every year. The increase in plan cost year-to-year can vary widely. We advise our enrollees to contact us and compare other plans if you experience rate increases in the 10-15% range. The national average is 3-4%.*

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

*A: Medigap plans are accepted by every Medicare-participating provider in the U.S., with some emergency benefits worldwide. If you travel frequently or live part of the year out-of-state, these plans may be right for you. A few Medicare Advantage plans also have world wide emergency coverage.*

Thank You!

**We Are Ready For Your Call**

**1-855-873-0098**

**TOWERS WATSON**  **OneExchange™**