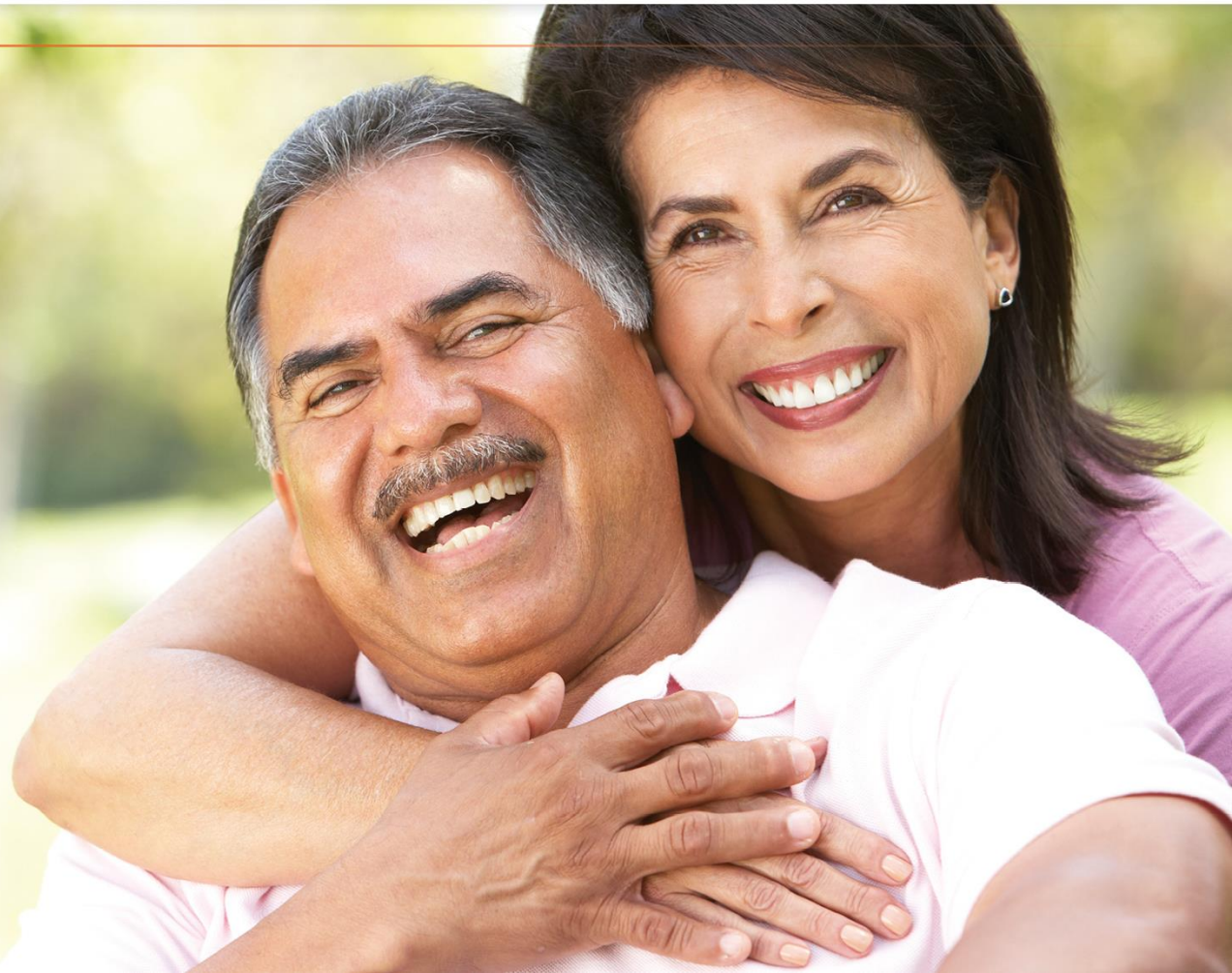


HELPING YOU UNDERSTAND THE MEDICARE EXCHANGE



TODAY'S PRESENTERS

Rhonda Barbosa
Jefferson Lab

Jeff Randolph
SelectQuote Benefits



PURPOSE OF TODAY'S MEETING

- Overview of the Transition to a Private Medicare Exchange
- Introduce you to SelectQuote Senior
- Brief overview of Medicare and Medicare Insurance Products
- Overview of the Health Reimbursement Account (HRA)
- Questions and Answers



THE CHALLENGE:

SUSTAINABLE RETIREE HEALTHCARE BENEFITS

- Changes in the healthcare system are driving changes in medical plan design and delivery
- Healthcare costs are continuing to rise for retirees
 - Retirees have voiced concern to JSA in past 2 years about medical costs being unsustainable
- Competition in the marketplace creates the opportunity for JSA to retain retiree healthcare benefits while providing retirees with choice and potential cost savings
 - Currently limited options available through JSA



TRANSITION TO A PRIVATE MEDICARE EXCHANGE

- A Private Medicare Exchange meets the unique needs of retirees and their family members by implementing a private healthcare exchange with a Health Reimbursement Account (HRA) through SelectQuote Senior
 - Provides greater number of plan options for retiree/spouse
 - Provides expanded choice of plan designs
 - Provides potential for retiree/spouse to select a lower cost plan
 - Premiums for coverage vary based on plan selected
 - Lower cost options available



RETIREE EXCHANGES AND THE LABS

- Of the 10 Office of Science Laboratories:
 - 6 (JLAB, BNL, ORNL, FNAL, PNNL, ANL) are expecting to move or have already moved to exchanges by 2016
 - 4 (SLAC, LBL, PPPL, AMES) have benefits associated with their university parent and are not currently considering the exchange option

- Some Labs no longer offer retiree benefits or medical cost sharing support (INL, NREL, LLNL)



PLAN FOR MEDICARE-ELIGIBLE RETIREES/SPOUSES

4/1/2016

- The current medical plans: Keycare PPO and Optima HMO will not be available after 03/31/2016
- The payment process for this group will change
 - Instead of sending your payments to Jefferson Lab, you will pay your premiums directly to the insurance company with which you have enrolled for coverage
 - JSA will discontinue billing participants affected by this change
- JSA will contribute \$200 per month per eligible participant(Employee plus Spouse) to a HRA to be used for eligible expenses including premiums



BENEFITS TRANSITION

- This change does not affect retirees, participants receiving JSA Long Term Disability Plan benefits, spouses and eligible dependents who are not eligible for Medicare
- When they are eligible for Medicare, they will transition to the Medicare Exchange



CURRENT SITUATION

- Jefferson Lab integrates health insurance plan with Medicare
- Retiree pays a monthly contribution that has been steadily increasing (50% of total premium)

Current Retiree Plan	Total Premium	Retiree Contribution	Jefferson Lab Contribution
Anthem Blue Cross Blue Shield KeyCare 10 PPO	\$817.38	\$408.69	\$408.69
Optima HMO	\$604.98	\$302.49	\$302.49

Note: All retirees 65+ must enroll in Medicare part A & B. Currently the premiums are:

Part A (Hospitalization) \$0

Part B (Medical Services) \$105 - \$336 (depends on income level)

In addition to JSA Annual Premium Medical Cost, an individual retiree must also pay on average \$1,200 annually for Medicare coverage – this is a requirement



WHY TRANSITION TO A PRIVATE MEDICARE EXCHANGE?



Premium increases for retirees



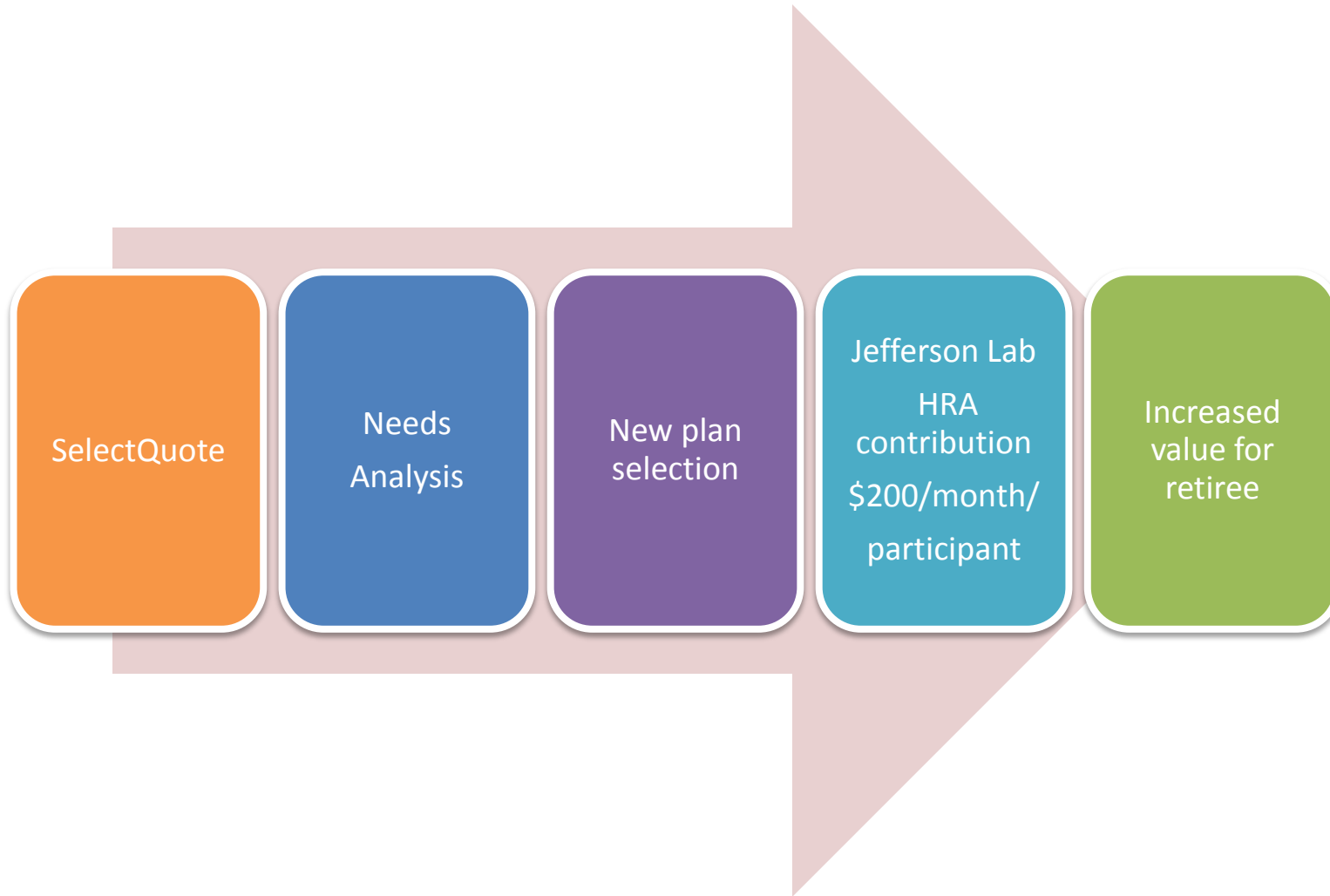
Better options than One-Size-Fits-All healthcare plans



Economical way to continue providing retiree health benefits



A NEW BENEFITS APPROACH

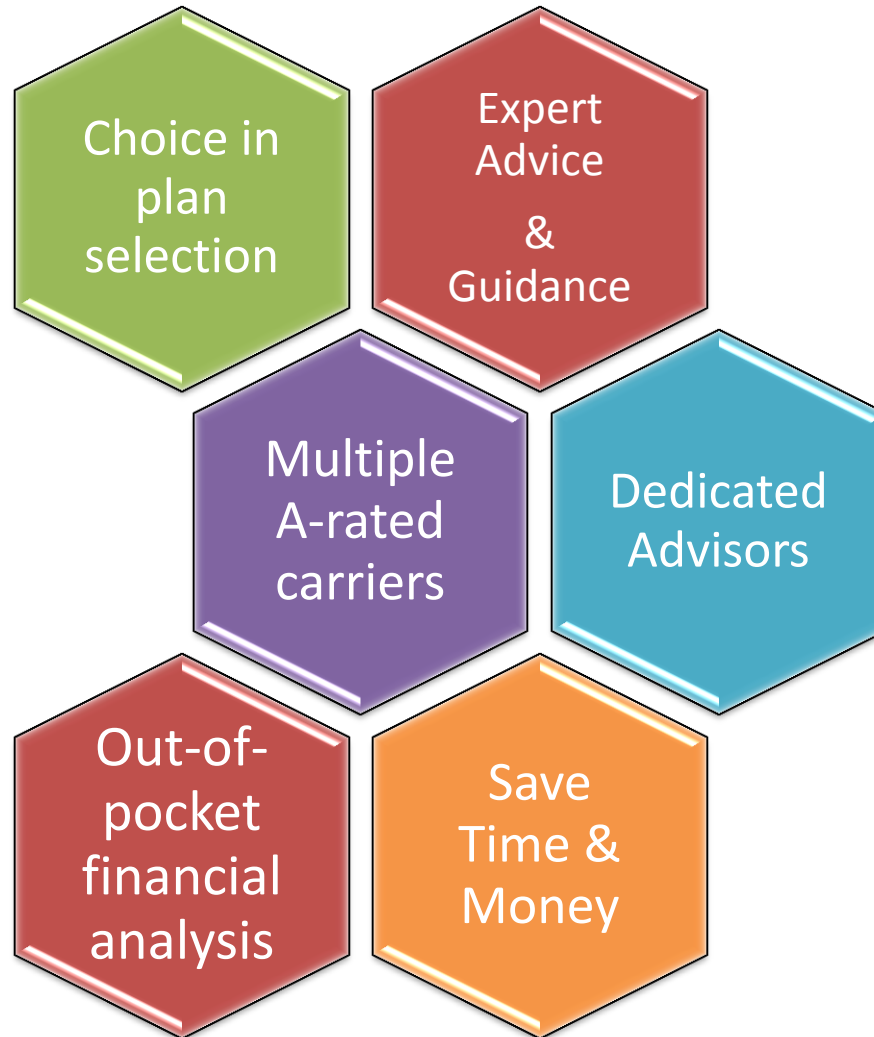


ABOUT SELECTQUOTE

- SelectQuote has been operating insurance exchanges since 1985
- We help 1.5 million customers annually with Medicare, Auto & Home and Term Life Insurance
- Our private Medicare insurance exchange offers:
 - Medicare Supplement
 - Medicare Advantage
 - Medicare Part D Prescription Drug



BENEFITS WITH AN EXCHANGE



WHAT IS MEDICARE?

Medicare is health insurance for:

- People 65 or older
- People under 65 with certain disabilities
- People of any age with End-Stage Renal Disease
 - ESRD: permanent kidney failure requiring dialysis or a kidney transplant



WHAT IS MEDICARE?

Part A	Part B	Part C	Part D
<ul style="list-style-type: none">• Hospital Insurance	<ul style="list-style-type: none">• Medical Insurance	<ul style="list-style-type: none">• Medicare Advantage Plans	<ul style="list-style-type: none">• Medicare Prescription Drug Coverage
<ul style="list-style-type: none">• Hospital stays• Home Health• Hospice• Skilled Nursing	<ul style="list-style-type: none">• Physician visits• Labs• Imaging• DME	<ul style="list-style-type: none">• Similar to PPO's HMO's• Includes Part A & Part B• Can include Part D	



Refer to [medicare.gov](https://www.medicare.gov) for the latest deductibles and coinsurance amounts

INDEPENDENT COVERAGE CHOICES

two plan types

MEDICARE SUPPLEMENT PLANS

MEDICARE ADVANTAGE PLANS





WHY A MEDICARE SUPPLEMENT?

- Medicare Part A & Part B do not cover 100% of your healthcare costs
 - Copays, Coinsurance and Deductibles
- Supplements protect against unexpected out-of-pocket expenses
- Protects against unexpected out-of-pocket expenses
- Reduces financial risk
- Personalize coverage

MEDICARE SUPPLEMENT PLANS



- Health insurance for what Medicare Part A & Part B do not cover
- Private policies in addition to Medicare Part A & Part B
- Recommended purchasing a separate Part D Prescription Drug Plan
- Medicare Supplement premiums are in addition to Part B premiums
- Medicare Supplement premiums may vary based on plan selection, age, gender and zip code

MEDICARE SUPPLEMENT PLANS



Meet Janet, a Jefferson Lab retiree

- 69 Years Old
- Excellent Health
- Travels to Florida yearly
- Wants to see physicians in Virginia and Florida



Janet's choice:

- ✓ Medicare Supplement Plan
- ✓ Stand Alone Medicare Part D

MEDICARE ADVANTAGE (PART C)

- Provides all of your Part A (hospital insurance) and Part B (medical insurance) coverage
- Medicare Advantage does not supplement Part A and B, it REPLACES the benefits
- Health insurance offered by private companies approved by Medicare
- Some include Medicare prescription drug coverage (Part D) MA and MAPD plans offer an out-of-pocket maximum to cap your expenses



MEDICARE ADVANTAGE (PART C)

Meet Carol, a retiree living in a retirement community



- 70 Years Old
- Diabetic taking 21 medications
- Both primary care & specialists in network
- Want lower premiums
- Will use surplus HRA to cover out-of-pocket expenses

Carol's choice:

✓ Medicare Advantage



PAYING FOR COVERAGE

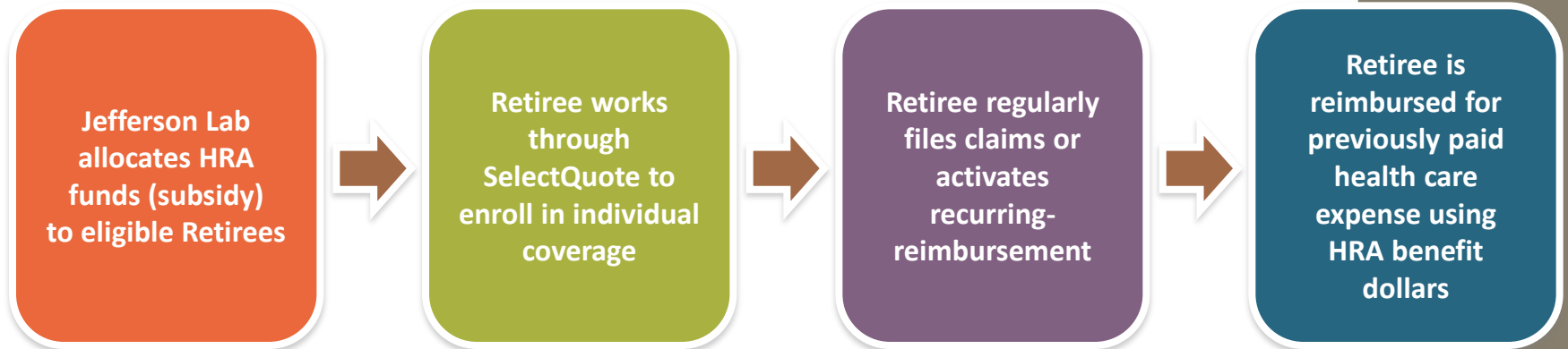
3 Options:

1. Premiums automatically withdrawn from savings or checking account
2. Pay premiums with paper check each billing period
3. Medicare Advantage and Part D premiums can be deducted from Social Security



HEALTH REIMBURSEMENT ACCOUNT PROCESS

- Employer-funded subsidy
- Reimburse premiums and qualifying out-of-pocket expenses
- Pay your expenses then submit claim for reimbursement
- Unused funds will rollover year to year
- \$200 monthly allocation for retiree; \$400 for retiree & spouse

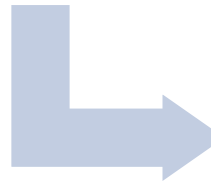


RECOMMENDATIONS FOR USING HRA



Complete your reimbursement forms for premiums

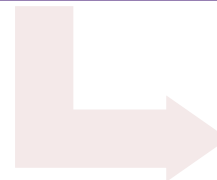
Budget wisely and stretch your funds



Premiums
Part B
Medicare Supplement
Medicare Advantage
Part D



Bank leftover \$\$ for possible future expenses and rollover into next year



Apply surplus funds to qualified out-of-pocket expenses

FILING HRA CLAIMS

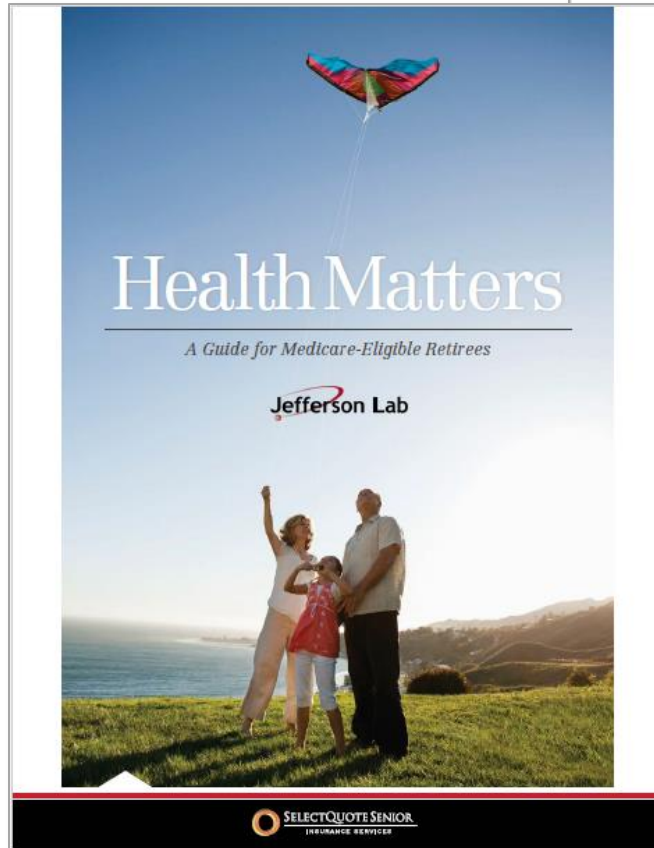


- Two claim filing options
 - Option 1 – Manual reimbursement
 - Option 2 – Recurring reimbursement

- Two reimbursement options
 - Option 1 – Mailed check
 - Option 2 – Direct deposit



LEARN MORE



Announcing New Healthcare Benefits for Retirees



9-16

Director Madeleine Schneider,

We are pleased to announce some exciting changes to the current healthcare benefits provided through Jefferson Science Associates at Jefferson Lab (Jefferson Lab). Over the years, Jefferson Lab has strived to provide affordable, quality healthcare for our retirees. Changes in the healthcare marketplace have made individual insurance plans more affordable than the group plans Jefferson Lab is able to offer. In order to take advantage of these new options, beginning April 1, 2016, we will be moving Medicare (Post 65) eligible retirees' medical plan coverage to a private exchange where participants will be able to elect individual healthcare plans. After March 31, 2016, the current Medicare (Post 65) retiree medical plans offered through Anthem Blue Cross and Blue Shield (Blue Cross Care PPO) and Optima Health (Vantage HMO) will no longer be available through Jefferson Lab.

Your new healthcare arrangement requires you (and your enrolled spouse if over age 65) to remain enrolled in Medicare Part A and Part B as your retiree benefits offered through the private exchange will coordinate benefits with Medicare.

If you have an eligible dependent currently covered under your retiree health insurance plan that is younger than the age of 65, that dependent will remain in Jefferson Lab's current designated plan option(s) (Anthem Blue Cross Care PPO or Optima Vantage HMO).

JSA What's happening?

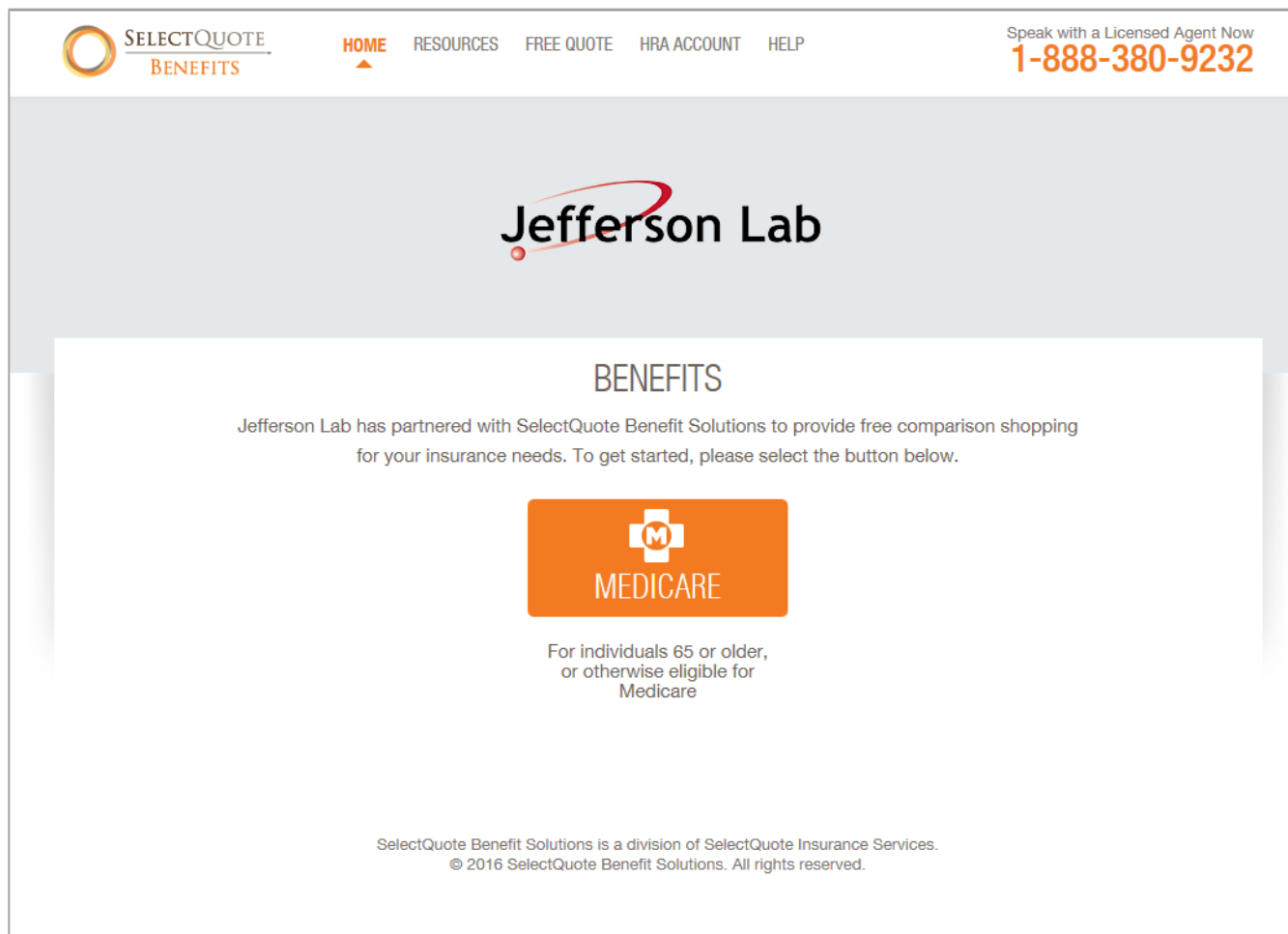
Beginning April 1, 2016, Jefferson Lab will be partnering with a new provider, SelectQuote Benefits, to assist you in selecting the healthcare plan for medical and prescription drug coverage that is best aligned with your coverage and financial needs. Their private Medicare exchange marketplace, SelectQuote Senior, offers a wide range of Medicare Supplement, Medicare Advantage and Medicare Part D Prescription Drug plans from the top "A" rated Medicare insurance carriers. You will be able to select from offer comparable coverage to the plan you currently have through Jefferson Lab. The SelectQuote Senior advisors will help you shop and compare Medicare plans that best meet your needs and assist with the enrollment in your new plan. This change does not affect Jefferson Lab medical plan participants who are not eligible (Pre-65) for Medicare.

SELECTQUOTE BENEFITS

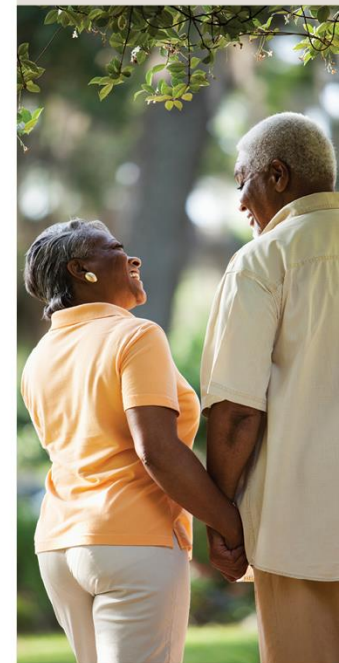
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LEARN MORE



The screenshot shows the Jefferson Lab website interface. At the top left is the SelectQuote Benefits logo. The navigation menu includes 'HOME', 'RESOURCES', 'FREE QUOTE', 'HRA ACCOUNT', and 'HELP'. On the top right, there is a call to action: 'Speak with a Licensed Agent Now 1-888-380-9232'. The main content area features the Jefferson Lab logo, followed by the heading 'BENEFITS'. Below this, a paragraph states: 'Jefferson Lab has partnered with SelectQuote Benefit Solutions to provide free comparison shopping for your insurance needs. To get started, please select the button below.' A large orange button with a white cross and the letter 'M' inside is labeled 'MEDICARE'. Underneath the button, it says: 'For individuals 65 or older, or otherwise eligible for Medicare'. At the bottom of the page, there is a small disclaimer: 'SelectQuote Benefit Solutions is a division of SelectQuote Insurance Services. © 2016 SelectQuote Benefit Solutions. All rights reserved.'



SELECTQUOTE

A Better Value for Jefferson Lab's Retirees

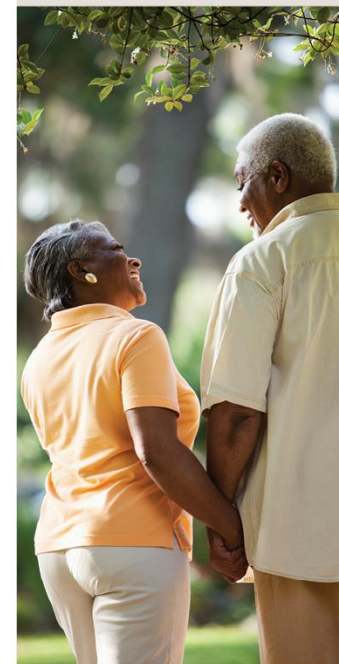


LAB GROUP PLAN COMPARISON

Age 75 Male

	Current Employer Plan	CIGNA Medicare Supplement Plan F + SilverScript PDP (Prescription Drug Plan)
Zip Code: 23185	Anthem KeyCare 10 (PPO)	Cigna/ SilverScript
Total Premium	\$817.38	\$154.62 + \$23.40 = 178.02
Jefferson Lab Subsidy	\$408.69	\$200
Retiree Premium	\$408.69	\$0
Annual Deductible	\$0	\$0
Hospital Co-Pay/Co-Insurance	\$200 plus 10% coinsurance	\$0
Dr. Visits Co-pay/Co-Insurance	\$10	\$0
Out of Pocket Max	\$2,500	\$0
PDP Deductible	\$0	\$320
Co-Pay Tiers		
Tier 1 – Generic	\$10	\$1 - \$4
Tier 2 – Preferred Brand	\$20	20%
Tier 3 – Non-Preferred	\$35	35%
Tier 4 – Specialty Tier	20%	25%

Note 1: Every Medicare Supplement Plan F is identical however they do vary in premium cost by insurance carrier, age, gender

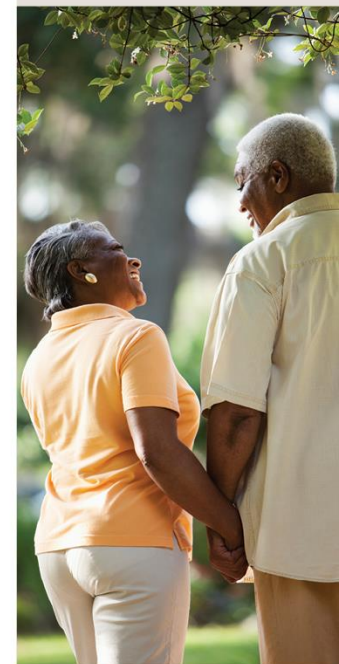


LAB GROUP PLAN COMPARISON

Age 75 Female

	Current Employer Plan	CIGNA Medicare Supplement Plan F + SilverScript PDP (Prescription Drug Plan)
Zip Code: 23185	Anthem KeyCare 10 (PPO)	Cigna/ SilverScript
Total Premium	\$817.38	\$134.45 + \$23.40 = \$157.85
Jefferson Lab Subsidy	\$408.69	\$200
Retiree Premium	\$408.69	\$0
Annual Deductible	\$0	\$0
Hospital Co-Pay/Co-Insurance	\$200 plus 10% coinsurance	\$0
Dr. Visits Co-pay/Co-Insurance	\$10	\$0
Out of Pocket Max	\$2,500	\$0
PDP Deductible	\$0	\$320
Co-Pay Tiers		
Tier 1 – Generic	\$10	\$1 - \$4
Tier 2 – Preferred Brand	\$20	20%
Tier 3 – Non-Preferred	\$35	35%
Tier 4 – Specialty Tier	20%	25%

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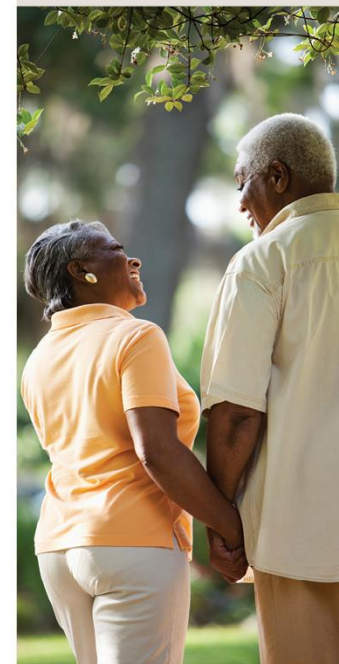


LAB GROUP PLAN COMPARISON

Age 75 Male

	Current Employer Plan	CIGNA Medicare Supplement Plan F + SilverScript PDP (Prescription Drug Plan)
Zip Code: 23693	Anthem KeyCare 10 (PPO)	Cigna/ SilverScript
Total Premium	\$817.38	\$191.92 + \$23.40 = \$215.32
Jefferson Lab Subsidy	\$408.69	\$200
Retiree Premium	\$408.69	\$0
Annual Deductible	\$0	\$0
Hospital Co-Pay/Co-Insurance	\$200 plus 10% coinsurance	\$0
Dr. Visits Co-pay/Co-Insurance	\$10	\$0
Out of Pocket Max	\$2,500	\$0
PDP Deductible	\$0	\$320
Co-Pay Tiers		
Tier 1 – Generic	\$10	\$1 - \$4
Tier 2 – Preferred Brand	\$20	20%
Tier 3 – Non-Preferred	\$35	35%
Tier 4 – Specialty Tier	20%	25%

Note 1: Every Medicare Supplement Plan F is identical however they do vary in premium cost by insurance carrier, age, gender

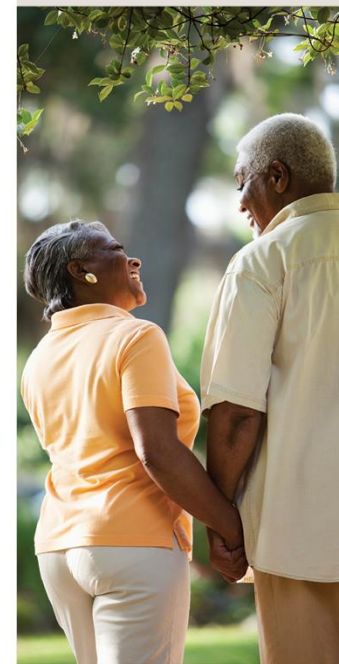


LAB GROUP PLAN COMPARISON

Age 75 Female

	Current Employer Plan	CIGNA Medicare Supplement Plan F + SilverScript PDP (Prescription Drug Plan)
Zip Code: 23693	Anthem KeyCare 10 (PPO)	Cigna/ SilverScript
Total Premium	\$817.38	\$166.89 + \$23.40 = \$190.29
Jefferson Lab Subsidy	\$408.69	\$200
Retiree Premium	\$408.69	\$0
Annual Deductible	\$0	\$0
Hospital Co-Pay/Co-Insurance	\$200 plus 10% coinsurance	\$0
Dr. Visits Co-pay/Co-Insurance	\$10	\$0
Out of Pocket Max	\$2,500	\$0
PDP Deductible	\$0	\$320
Co-Pay Tiers		
Tier 1 – Generic	\$10	\$1 - \$4
Tier 2 – Preferred Brand	\$20	20%
Tier 3 – Non-Preferred	\$35	35%
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SELECTQUOTE ADVISORS

- Your advocate
- Your single point of contact
- An objective, trusted resource
- Provides you with guidance to make informed, confident decisions
- Commission agnostic representatives
- Services are free of charge
- Carrier-certified agents



NEXT STEPS

- Review your Health Matters booklet
- Go Online to www.jlab.sqbenefits.com to research options and learn more
- Call **1-888-380-9232** to speak to an objective advocate — a SelectQuote Senior licensed agent





THANK YOU
