Benefits Information for Participants Eligible to Retire

The following information will provide you with some highlights of retiree benefits. If you are considering retirement, you should meet with a member of the Benefits Office to complete the retirement process.

Retiree Medical Program

Employee Eligibility

For Employees hired *prior to* 10/01/2008

In order to be eligible for retiree medical benefits for yourself and your eligible dependents, you must be at least 55 years of age, you must have completed a minimum of three (3) years of service, and your age plus continuous years of service must equal at least 65 as of the date of your separation. Age and years of service are calculated using whole month increments.

For Employees hired *on or after* 10/01/2008

In order to be eligible for retiree medical benefits for yourself and your eligible dependents, you must be at least 55 years of age, and must have completed a minimum of fifteen (15) years of continuous service.

Dependent Eligibility

If you are eligible for retiree medical benefits, your lawful spouse and eligible children who have been enrolled in the Fermilab medical program for at least three (3) continuous years immediately prior to your retirement are also eligible to participate in the retiree medical program. If your dependent(s) was covered for a minimum of three (3) years under another employer's medical plan immediately prior to your retirement date, that dependent(s) is also considered eligible to participate in the retiree medical program. Proof of dependent(s) other coverage is required at the time of retirement to enroll dependent(s) for coverage.

Eligible dependents include your lawful spouse and your unmarried child (ren) who are less than 26 years old.

Retiree medical benefits will continue for your eligible dependent(s) in the event of your death.

Medical Plan Options

CIGNA Open Access Plus Plan (OAP)

The OAP retiree medical plan is the same as the active employee OAP medical plan. However, at age 65, the plan is designed to supplement Medicare Parts A&B to the level of coverage provided to active employees.

If you are enrolled in the CIGNA Point-of-Service Plan as an active employee, you will need to choose one of the other available retiree medical plans.

BlueAdvantage HMO

Retiree medical benefits are the same as the active employee HMO benefits. However, at age 65, the HMO benefits are designed to supplement Medicare Parts A&B, and the benefits may vary from the active employee HMO medical benefits. (Refer to your HMO booklet for details).

If you move out of the HMO service area, you will be required to change to the OAP medical plan.

Coordination with Medicare

If you or your dependents are age 65 or older, you must apply for Medicare Part B before your retirement. Upon retirement, Medicare becomes the primary payer and Fermilab's medical plan will be the secondary payer. There is a substantial reduction in both the OAP and HMO's medical benefits, as the carriers will not pay for medical expenses that Medicare would pay. If you do not enroll in Medicare, you will be responsible for any Medicare eligible portion of your medical claims.

Contact information for Social Security and Medicare are included in your packet.

Effect of Other Employment

If you retire and become employed with another employer, you will be excluded from Fermilab's retiree medical program if you are eligible for coverage under the new employer's medical plan. Coverage under the Fermilab Retiree Medical Plan can be reinstated upon termination of other employment. You may not always be reinstated into the same medical plan in which you were enrolled prior to your other employment. You must request reinstatement in writing. Your written notification must be sent to the Fermilab Benefits Office within 30 days of termination of other employment. **You will permanently forfeit your reinstatement of your medical coverage, if you fail to notify the Fermilab Benefits Office within 30 days of termination of your other employment.**

Termination of Retiree Medical Coverage

Retiree medical coverage terminates on the earliest of the following:

- The date the plan is discontinued.
- The date the premium, if applicable, is not paid.
- The date the retiree ceases to be eligible because of other employment. The retiree must provide written notice requesting deferral of retiree medical benefits to be eligible for reinstatement.
- The date the retiree cancels coverage. Retiree coverage that is declined or cancelled other than for other coverage/employment cannot be reinstated.

Continuation of Dental Coverage

Dental coverage terminates on your last day of employment. Dental coverage is not provided under your retirement benefits. You may continue your dental coverage under COBRA. COBRA allows for continuation of your dental coverage for a period of up to 18 months. A cost sheet will be provided in your COBRA election packet.

If you want to continue dental coverage, you will need to complete and return the COBRA Election Form to the Benefits Office within the timeframe indicated on your COBRA Notification (60 days from the date of notification).

Termination of Dental Continuation Coverage

Dental continuation coverage will be terminated before the end of the maximum period if:

- You or any of your covered dependents first become covered under another group dental plan, after electing continuation coverage (as long as the group dental plan does not contain any pre-existing exclusion or limitation with respect to any pre-existing condition that you or your covered dependent may have)
- You fail to pay the required premiums when due
- FRA no longer provides group dental plan coverage for its employees
- You provide written notification requesting cancellation of coverage

Flexible Spending Accounts

Healthcare Account

- Contributions to your healthcare account will be taken from your final paycheck in accordance with payroll processing procedures, but will not be taken from any vacation pay. Coverage ends on your last day of employment.
- Reimbursement requests may be submitted within 120 days of the end of the plan year (December 31) for expenses incurred prior to termination of your employment.
- This benefit can be continued under COBRA until the end of the calendar year.
- Contributions after termination are on an after-tax basis.

Dependent Care Account

- Contributions to your dependent care account will be taken from your final paycheck in accordance with payroll processing procedures, but will not be taken from any vacation pay.
- Reimbursement requests may be submitted up to 120 days from the end of the plan year (December 31).
- Expenses must be incurred before or on your termination date

The Dependent Care Flexible Spending Account cannot be continued under COBRA.

COBRA Continuation Procedure

- Information regarding continuation of your coverage under the Consolidated Omnibus Benefits Reconciliation Act (COBRA) will be provided by the Benefits Office as part of the

Benefits Termination Packet. The information will be mailed to your home within 14 days of your termination date.

- You are responsible for electing COBRA coverage within the allowable time frame
- COBRA premium payments must be made by the due date. In no case will COBRA premium payments be accepted after the allowable grace period

- Your **COBRA enrollment form and your first premium payment** (if paying by check) should be sent to:
  Fermilab Benefits Office
  PO Box 500 MS 126
  Batavia, IL 60510

- **Subsequent payments** (if paying by check) should be sent to:
  Fermilab Accounting Office
  Attn: Sylvia Gonzalez
  P.O. Box 500, M.S. 112
  Batavia, IL 60510

COBRA premiums can also be set up to be automatically deducted from your checking account. Information will be included with your COBRA notification.

Long-Term Disability

Coverage terminates on your last day of employment.

Long-Term Care Plan

Coverage terminates on your last day of employment, but may be continued as an individual plan with CNA Insurance. You are responsible for contacting CNA and making premium payment arrangements. CNA must receive notification of your intent to continue coverage within 31 days of your Retirement date

Life Insurance Conversion/Portability

Coverage terminates on your last day of employment; however, CIGNA will continue your life insurance coverage during the conversion grace period of 31 days. If you want to continue coverage, you will need to do so within the 31-day conversion period.

- You may convert any portion of your Life Insurance coverage that you had as an active employee to an individual policy without evidence of insurability.
- If your employment ends **prior to age 70**, and you have supplemental life insurance, you may continue your life insurance benefits under the portability provision.
- If your employment ends **after age 70** or you have only basic life insurance coverage, you may continue your life insurance coverage under the conversion provision.
- If you would like to continue your life insurance coverage, you must complete the conversion/portability forms included in this packet.
- You must submit the conversion/portability form and payment **directly to the carrier within 31 days** of the date your coverage terminated
  - Rate sheets for conversion and portability are included in your packet.

Retirement Plans

Retirement Account - 401(a)

- The Lab's contribution to your retirement account will cease on your last day of employment.
- You may wish to contact TIAA CREF to set up a personal counseling session to review your retirement account. Contact phone numbers are included in your packet.

Supplemental Retirement Account (SRA) - (403b)

Your contribution to your SRA will be taken from your final paycheck, and can be taken from any vacation pay if requested.

Vacation Time Accrued

You will receive a lump sum payment for any unused vacation that you have accrued. You may also elect to use your remaining vacation balance to extend your official retirement date.

Summary Plan Descriptions

We will continue to provide you with notification of any plan changes and revised Summary Plan Descriptions. These documents will be sent to your home address.

Personal Information

Please notify the Benefits Office in writing of any changes to your address or telephone number as soon as possible.

Benefits Disclaimer

Nothing contained in the benefit plans described herein shall be held or construed to create a promise of employment or future benefits, or a binding contract between Fermilab/FRA and its employees, retirees, or their dependents, for benefits or any other purpose.

Fermilab/FRA reserves the right, in its sole and absolute discretion, to amend, modify or terminate, in whole or part, any or all of the provisions of the benefit plans described herein, including any health benefits that may be extended to retirees and their dependents. Further, Fermilab/FRA reserves the exclusive right, power and authority in its sole and absolute discretion, to administer, apply and interpret the benefit plans described herein, and to decide all matters arising in connection with the operation or administration of such plans.