New Approach To Retiree Health Care Coverage

What We'll Cover Today

- What Is Changing
  - Why the Change?
  - Your HRA
- Introducing Extend Health
- Understanding Supplemental Medicare Insurance
- Next Steps
- Questions and Answers

What Is Changing in 2013 for you as a Medicare-Eligible Retiree

- **Effective January 1, 2013:**
  - Bayer coverage ends; you buy coverage in individual marketplace
    - If eligible, Bayer will help you pay for this coverage by contributing to an HRA
  - Extend Health helps you choose and enroll in your plan

What Is Changing in 2013 for you as a Medicare-Eligible Retiree (con't)

- **Between now and December 31, 2012:**
  - Current coverage remains the same; use the plan as you do today
    - Most retirees since 1984 are impacted by this change
    - Retirees prior to 1984 and certain union legacy groups will not be impacted by this change

No Disruption to Your Care

- There will be no disruption to your care if you are currently receiving treatment
  - Be sure to enroll by December 31, 2012 (special enrollment period). If you do, pre-existing medical conditions will not prevent you from receiving coverage.

Why the Change?

- Market for individual Medicare supplement health plans has grown
- Now the individual market offers a variety of medical, prescription drug, dental and vision plans available
- Lower cost is due in part to subsidies provided by the government to individual plans.
- Move to the individual market offers enhanced value, flexibility, choice and personal support for retirees, spouses and/or dependents and surviving spouses

How Much is Your HRA?

- If eligible, your HRA amount is:
  - In cover letter with Extend Health Enrollment Guide
  - Available from Extend Health benefit advisors by phone
- Ranges from $1,200 to $1,800 annually
  - Based on age and years of service at retirement, or
  - Based on acquisition terms
  - Adjusted by CPI

About Extend Health

- Leader in helping Medicare-eligible retirees find and enroll in supplemental health care coverage in the individual market
- Licensed, trained advisors provide personalized, expert support
- You work one-on-one with Extend Health benefit advisors during the enrollment process and ongoing
- Extend Health expert services provided at no cost to you

Introducing Extend Health

The Industry's Largest Private Medicare Exchange

Who is Extend Health?

- Independent company, dedicated to serving Medicare- eligible retirees
- Partner with 75+ health plan carriers to provide you coverage to fit your individual needs and budget
- **Objective** and **trusted** U. S.–based licensed benefit advisors
- Focused on helping each participant make an informed and confident decision

Why Extend Health?

- We are experienced in helping people just like you
- Our services are provided at **no cost** to you

PolyOne
LAWRENCE LIVERMORE NATIONAL SECURITY LLC
Whirlpool
Dole
Ford
EASTMAN
Rayonier
SONY
make.believe
REXNORD
DELTA DENTAL
LouisDreyfus
NEENAH PAPER
CHRYSLER
CSA
COOPER STANDARD™
AUTOMOTIVE
GM
BancorpSouth
Member FDIC
Right Where You Are
Kellogg's
Vought
Aircraft Industries, Inc.
BEAM
GLOBAL SPIRITS
The Ultimate Driving Machine
City of Rochester Hills
Michigan
LSG Sky Chefs
THE BROADMOOR
The Employer of Choice
AVON
the company for women
UNION PACIFIC
BUILDING AMERICA
XERIUM
TECHNOLOGIES, INC.
CATERPILLAR®
"K" LINE AMERICA, INC.
COOPERTIRES
UCAR
BRINK'S
FHLBank
PITTSBURGH
Sam's CLUB
VOLVO
KAMAN
FORTUNE BRANDS
THERMADYNE
Caraustar

Plans & Partners

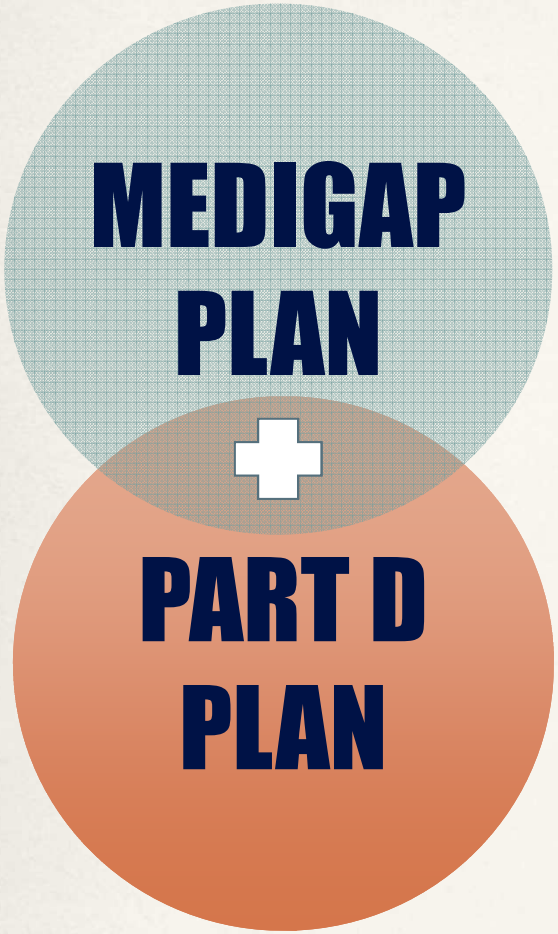
- All Medicare Plan Types

- Medicare Advantage
- Medigap
- Prescription Drug (Part D)

- Vision
- Dental

Select Carrier Partners

OPTION 1:
Medigap Plan + Part D Plan



MEDIGAP (Medicare Supplement)

A Medigap plan fills the "gaps" in original Medicare Part A and Part B coverage *(i.e., helps pay the difference between your costs and the amount original Medicare pays).* These plans provide additional coverage for your doctor visits and hospital stays as well as other expenses not covered by original Medicare.

PART D PLAN

A Part D plan supplements Medigap to provide prescription drug coverage. These plans help pay for your prescription drug expenses.

You will need to pay your first premium when you enroll…

MEDICARE ADVANTAGE

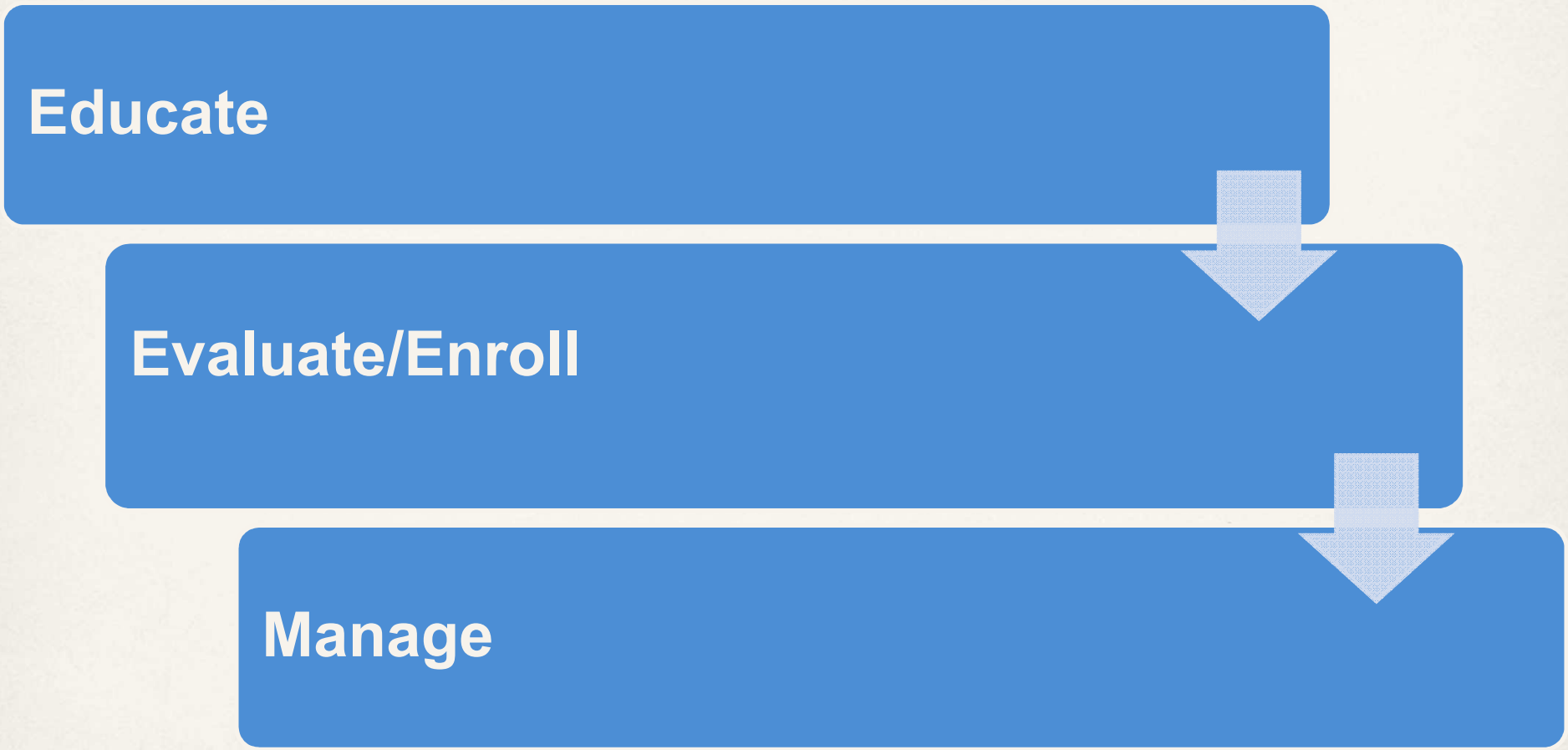
OPTION 2:
Medicare Advantage Plan with Prescription Drug Coverage *(MAPD)**

MAPD PLAN

An MAPD plan provides an all-in-one plan which bundles your Part A, Part B and prescription drug coverage together with additional benefits. These plans provide coverage for your doctor visits, hospital stays, and prescription drug expenses.

*Note that Medicare Advantage plans are generally network based plans

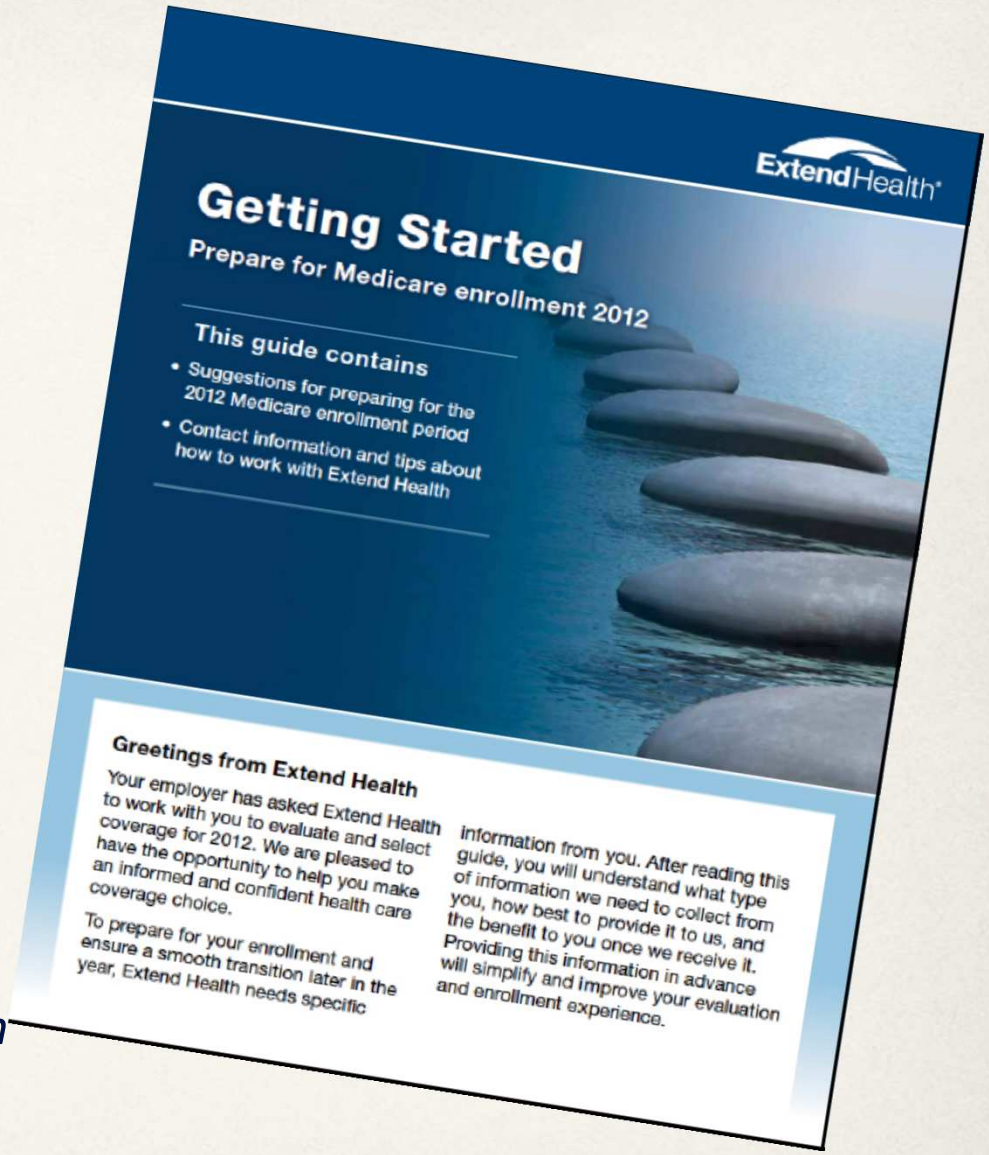
The Process



Education

Getting Started Guide

- Gather information
  - Current prescriptions and preferred physicians
  - Current coverage and health conditions*
- Give us a call toll-free at 888-812-2190
- Visit us online www.extendhealth.com/bayer

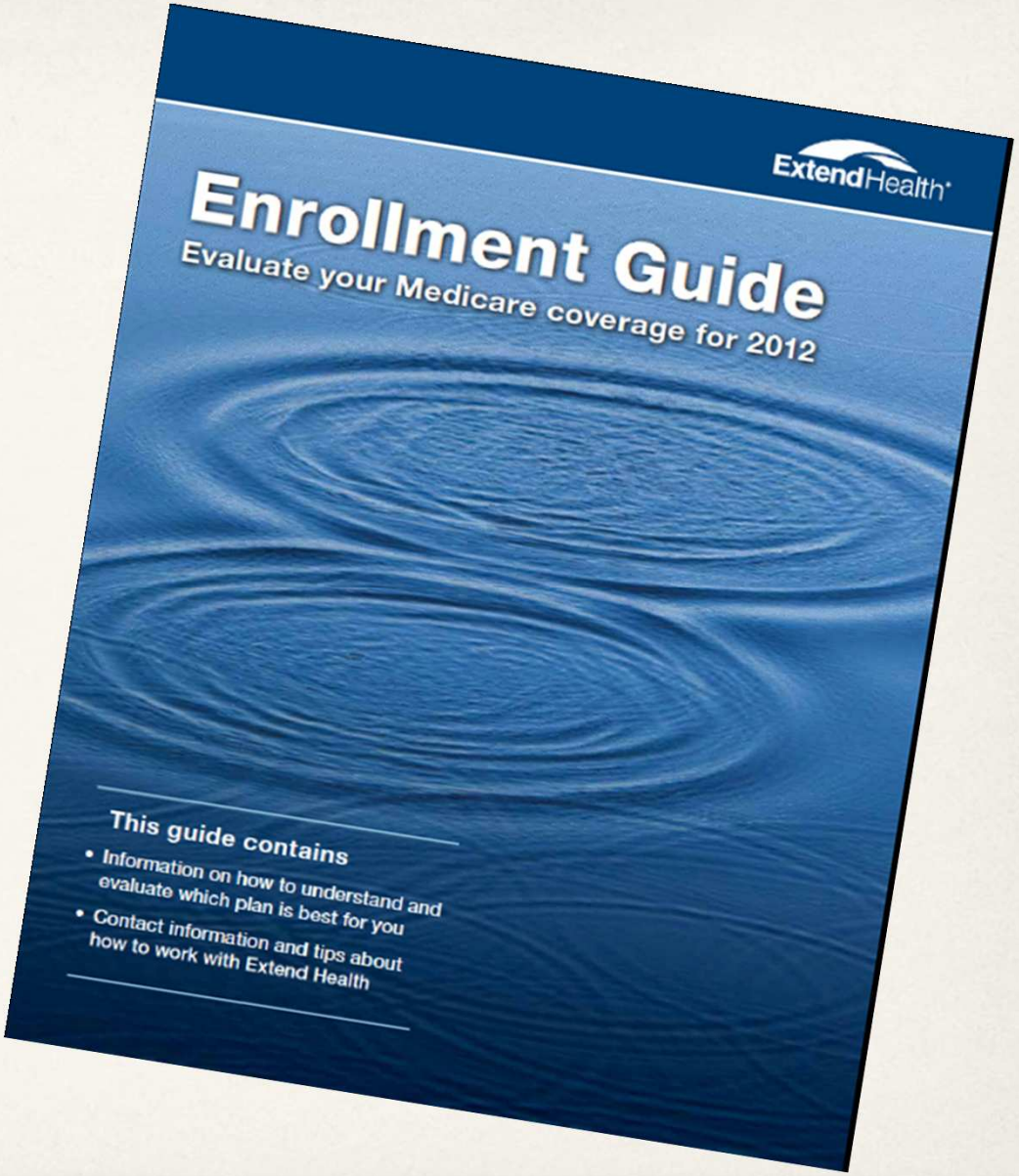


** Pre-existing conditions will not limit your plan selection - except end-stage renal disease*

Education

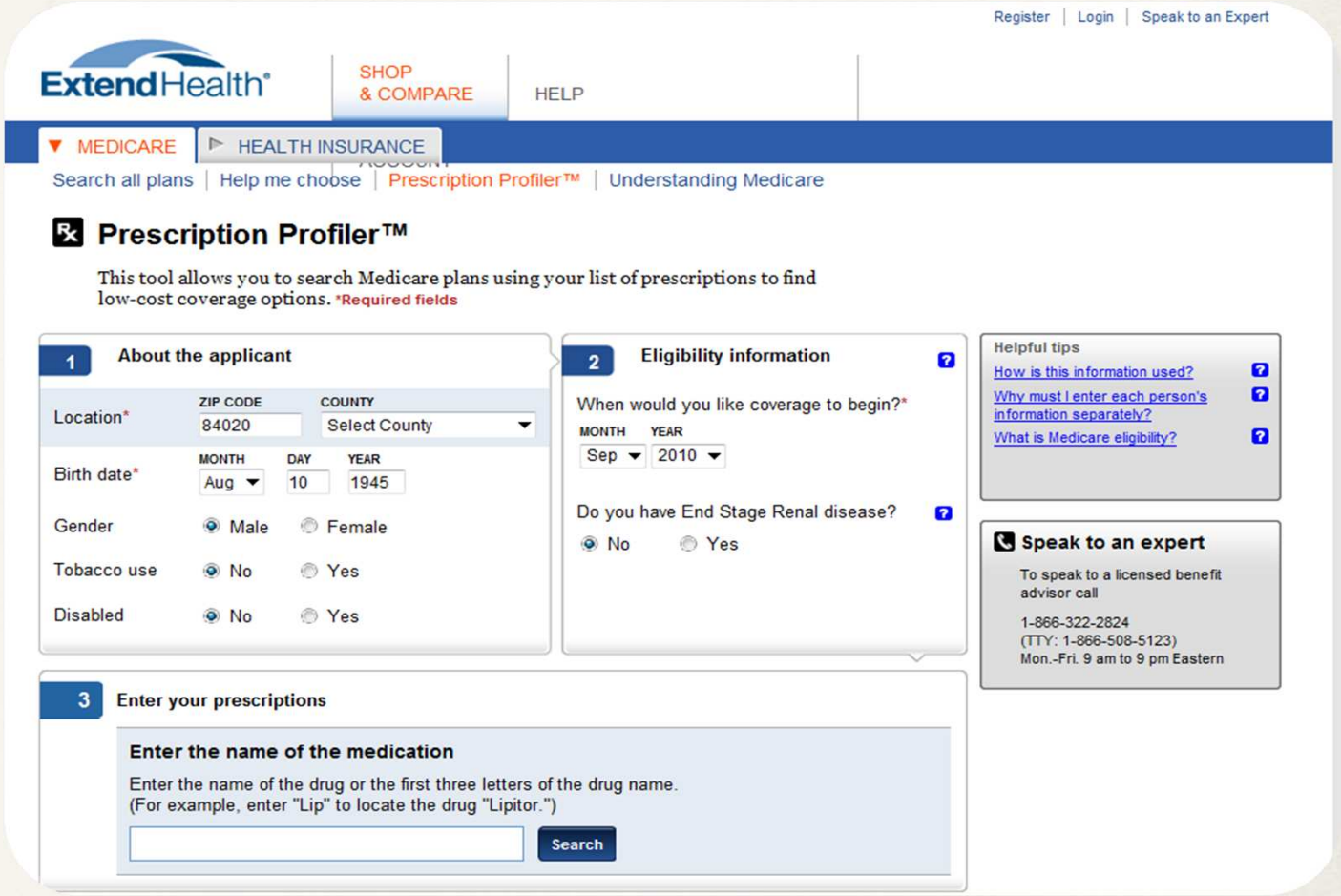
Enrollment Guide

- Prepare you for enrollment discussion
- Review Medicare basics
- Appointment confirmation letter



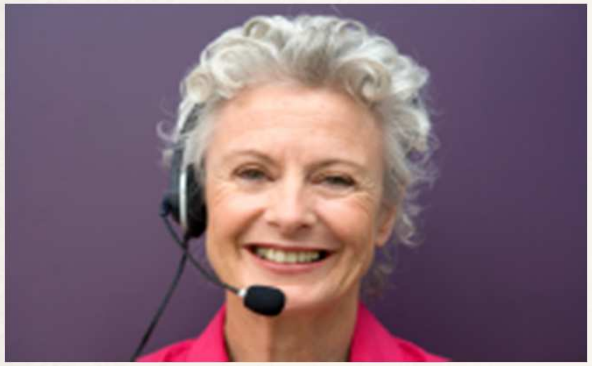
Decision Support Tools

- Help Me Choose
- Prescription Profiler



www.extendhealth.com/bayer

Evaluate and Enroll



Licensed Benefit Advisor

- 100% domestic workforce
- Objective advocacy
- Neutral compensation
- Extend University
- Licensed, certified, appointed
- Average age 43

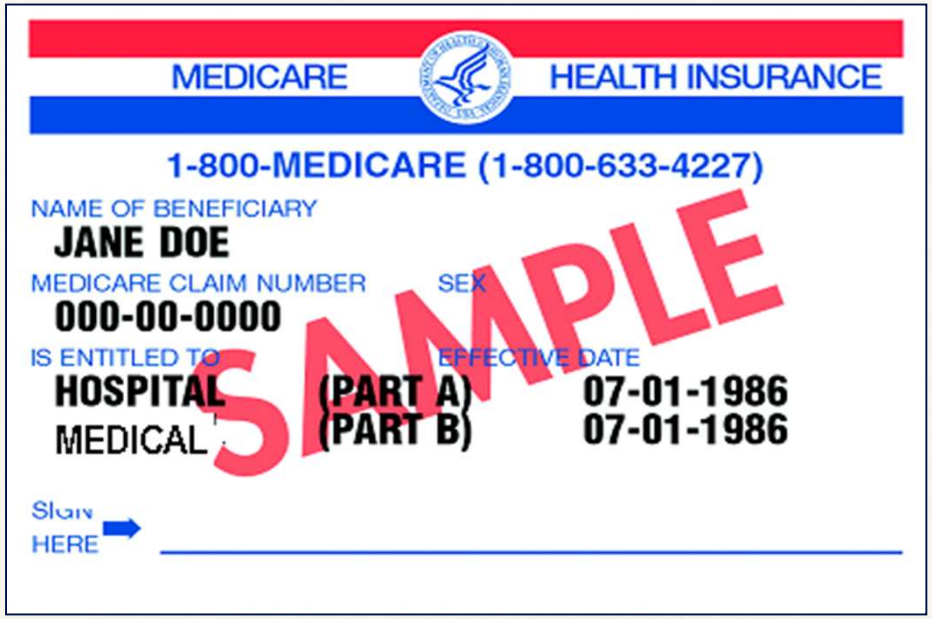
Hours of Operation
Monday – Friday
8:00 a.m. – 9:00 p.m.
Eastern Standard Time

Call Extend Health Toll-Free at 1-888-812-2190

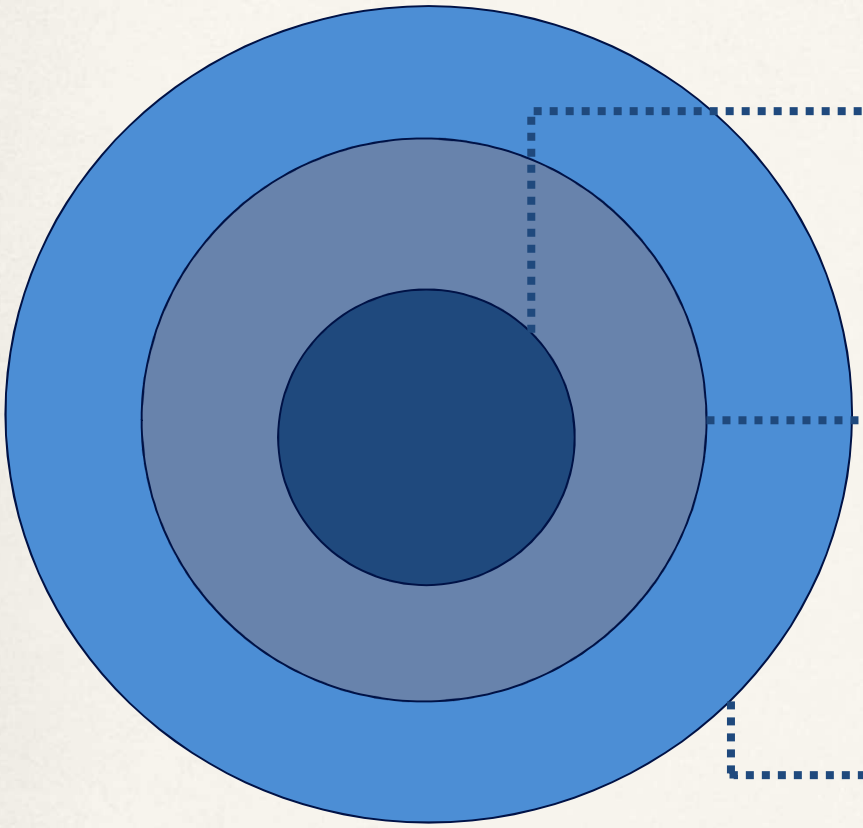
Enrollment Process

- Benefit Advisors can discuss coverage options with anyone – need to speak to the participant to complete the enrollment
- Once you have made a coverage selection, enrollment is conducted via telephone
- 100% of calls are recorded (Bayer does not have access to recordings)

Medicare & You



Your Future Coverage



Primary Coverage

Medicare Parts A & B

Additional Coverage (Your Choice)

Medigap + Prescription Drug (PDP)

or

Medicare Advantage with Prescription Drug (MAPD)

Optional Coverage (Your Choice)

Dental and Vision

Medicare Prescription Drug Coverage For 2013 (Part D Plan)

Initial Coverage

You pay

* Deductible and Co-payments for your plan
* Coverage for the first $2,970 in Actual Cost of medications

Coverage Gap – Donut Hole

You pay

* 47.5% of Brand Drugs and 79% of Generics
  Until out of pocket costs reach $4,750

Catastrophic Coverage

You pay

* $2.65 for Generics and $6.60 for Brand
  Or 5% which ever is greater

Health Reimbursement Account (HRA)

What Is An HRA?

- Tax-advantaged account used to reimburse you for eligible health care expenses
- You must meet Bayer's eligibility requirements to qualify for the HRA
- Your HRA funds will be available January 1, 2013

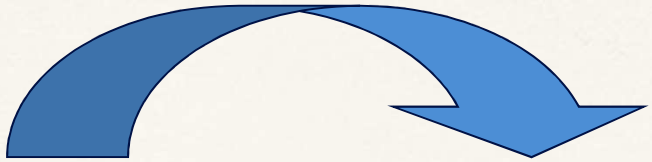
Who is Eligible?

- You are eligible for a Health Reimbursement Account (HRA) if Bayer currently helps you pay for the cost of your Bayer group Medicare supplemental plan
- You will be provided with your HRA amount:
  - In your enrollment cover letter
  - During the call with your Extend Health benefit advisor
- You and your eligible spouse/dependent(s) will share one account that includes two contributions
  - You can both access the full amount
- If you and your spouse are employed by Bayer and eligible for an HRA, you will both receive the higher of the two HRA amounts in your joint account

Health Reimbursement Account (HRA)

- HRA Enrollment Kit
  - To be mailed in mid-December
  - Ongoing will be mailed prior to beginning of month coverage begins
  - Confirms HRA amount
  - Describes eligible expenses
  - Includes claim and direct deposit request form
  - Reminder how to use HRA, where to get support, reminder of dedicated toll-free line

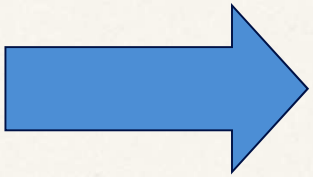
Health Reimbursement Account: How It Works



Bayer contributes to HRA account of eligible participants

Participant HRA

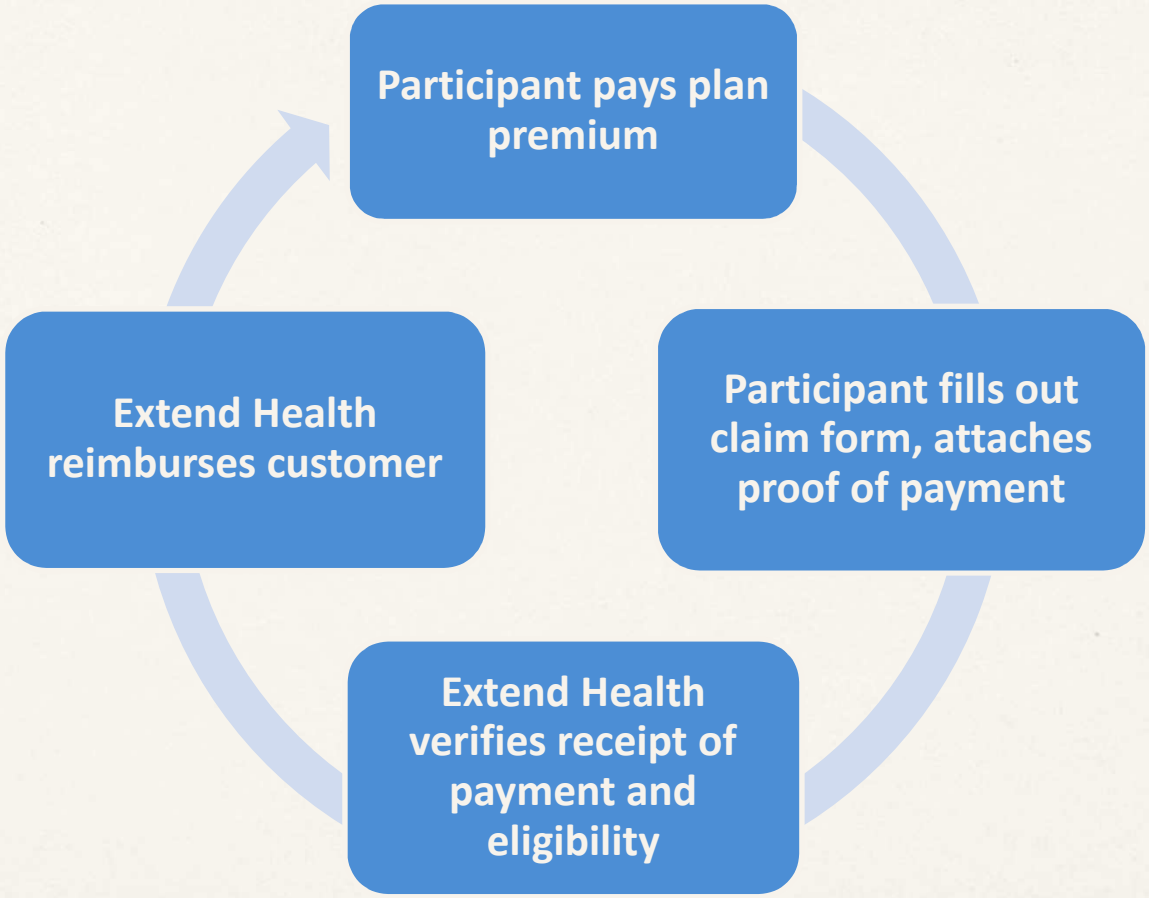
Administered by Extend Health



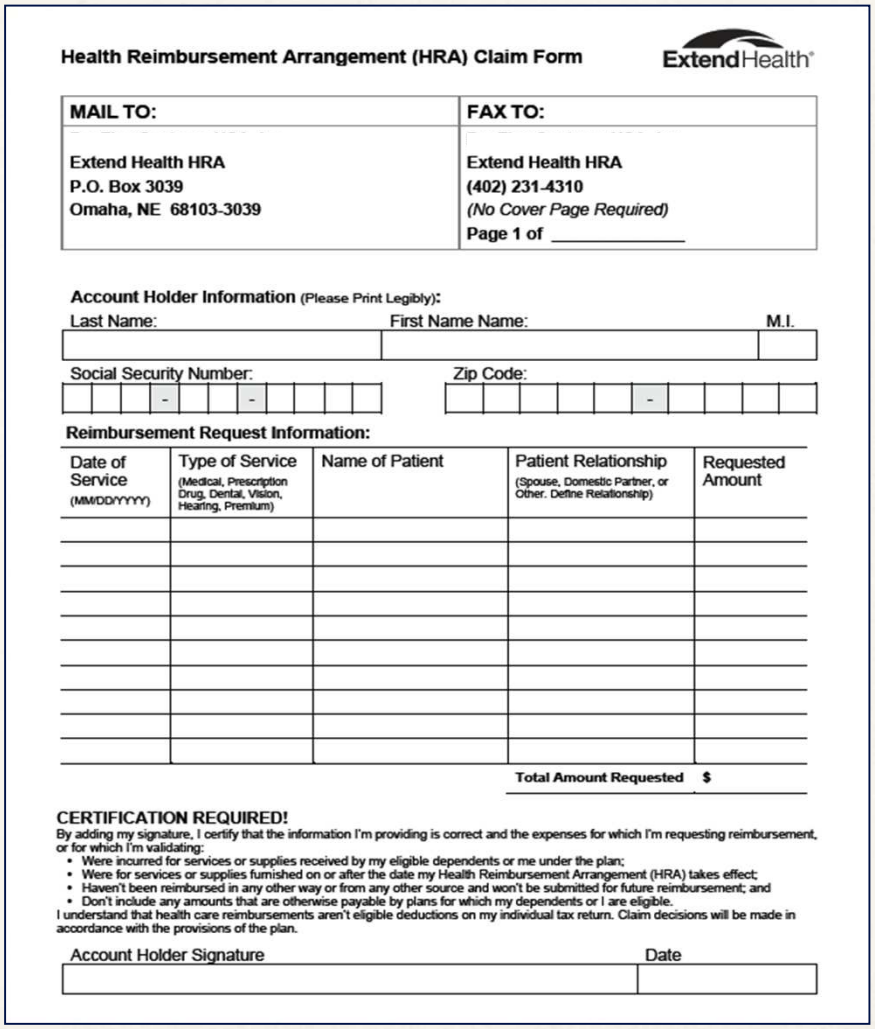
Participant is reimbursed for health care expenses using HRA benefit dollars

Participant works through Extend Health to enroll in individual coverage

How to File a Paper Claim



EH HRA - Manual Claim Form



Health Reimbursement Arrangement (HRA) Claim Form

ExtendHealth

MAIL TO:	FAX TO:
Extend Health HRA P.O. Box 3039 Omaha, NE 68103-3039	Extend Health HRA (402) 231-4310 *(No Cover Page Required)* Page 1 of _____

Account Holder Information (Please Print Legibly):

Last Name: | First Name Name: | M.I.

Social Security Number: ___ - ___ - ____

Zip Code: _____ - ____

Reimbursement Request Information:

Date of Service (MM/DD/YYYY)	Type of Service (Medical, Prescription Drug, Dental, Vision, Hearing, Premium)	Name of Patient	Patient Relationship (Spouse, Domestic Partner, or Other. Define Relationship)	Requested Amount
			Total Amount Requested	**$**

CERTIFICATION REQUIRED!

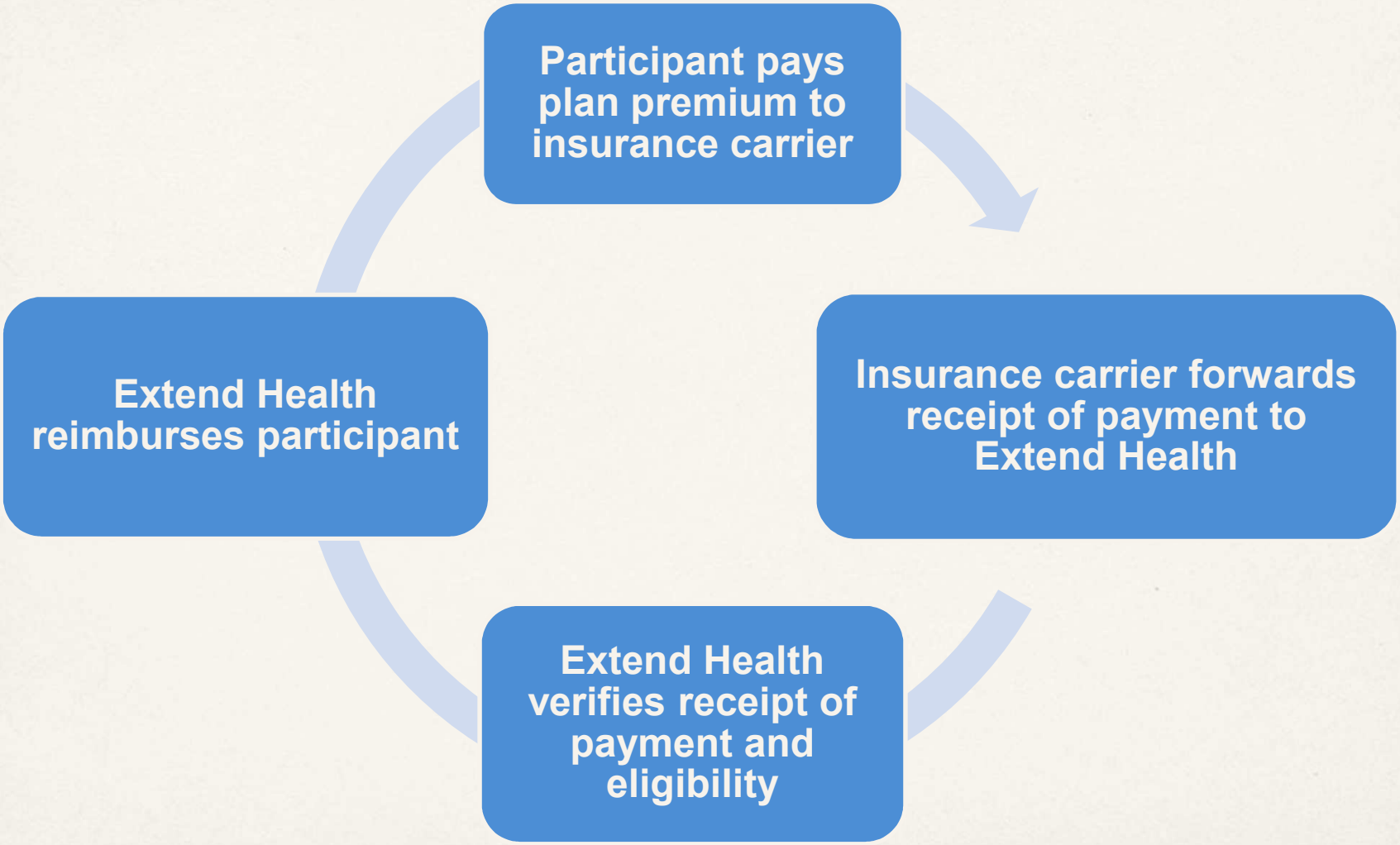
By adding my signature, I certify that the information I'm providing is correct and the expenses for which I'm requesting reimbursement, or for which I'm validating:

- Were incurred for services or supplies received by my eligible dependents or me under the plan;
- Were for services or supplies furnished on or after the date my Health Reimbursement Arrangement (HRA) takes effect;
- Haven't been reimbursed in any other way or from any other source and won't be submitted for future reimbursement; and
- Don't include any amounts that are otherwise payable by plans for which my dependents or I are eligible.

I understand that health care reimbursements aren't eligible deductions on my individual tax return. Claim decisions will be made in accordance with the provisions of the plan.

Account Holder Signature | Date

How Auto-Reimbursement Works



What is Auto-Reimbursement?

- Auto-Reimbursement (AR) allows retirees to be automatically reimbursed for monthly medical and prescription premiums without submitting a claim form or receipt
- Auto-reimbursement only applies to premiums paid, not out-of-pocket expenses like copayments, deductibles, coinsurance
- AR is NOT available on all plans
- Due to the timing of Auto-Reimbursement files AR is usually not the fastest way to get a reimbursement

Please note: You will need to pay your first premium for coverage before the HRA is available for reimbursement. Talk to your benefit advisor about the reimbursement method that works best for you.

Next Steps

Before Calling Extend Health

Review Getting Started Guide

Gather Medicare Card, prescriptions, & doctor information

Call Extend Health Toll-Free at 1-888-812-2190

Post Enrollment Customer Service

- Advocacy and support services:
  - Toll Free number to contact Extend Health representative
  - Direct support for claims issues, appeals and network questions
- Renewal process – ability to pick new coverage for future years – not locked into this year's coverage choice forever
  - Enrollment elections are generally for a one year period
- Ongoing enrollment services as retiree or spouse turns age 65

Questions & Answers

Questions?