

Retiree Coverage and Eligibility

INSURANCE BENEFITS AVAILABLE TO RETIREES – **EFFECTIVE NOVEMBER 1, 2003**

The Company currently offers medical and life insurance to qualified retirees and their eligible dependents. Retiree medical plan provisions and contribution requirements are subject to change. To qualify for this medical and/or life insurance coverage, an individual must:

- be at least age 55 as of the last day;
- have at least 10 pension vesting years;
- have elected a coverage option at time of eligibility under a HEWT-sponsored company; &
- pay the required contributions for the elected coverage.

A RETIREMENT ELIGIBLE PARTICIPANT HAS THE FOLLOWING OPTIONS IN ELECTING MEDICAL COVERAGE:

- **Continuation**
 - May drop once in future, with rights of re-enrollment one-time.
- **Deferral, With Option to Re-Enroll in Future**
 - Lifetime event within 31 days, effective first of month.
 - Any open enrollment, effective January 1, of following calendar year.
 - It is the participant's responsibility to contact HEWT for re-enrollment.

MEDICAL INSURANCE CURRENTLY AVAILABLE TO ELIGIBLE PARTICIPANTS:

- **Under Age 65 (retiree-eligible participant, spouse, and eligible children)**
 1. PPO - Administered by UnitedHealthCare
 2. Options Point of Service - A Group Health Cooperative Plan
 3. HMO (in the Group Health service area only) - A Group Health Cooperative Plan
- **Over age 65 or Medicare-Eligible (dependent coverage for participant over age 65 is limited to spouse)**
 1. Medicare Coordinating Plan - Administered by UnitedHealthCare
 2. Options Point of Service (in the Group Health service area only) - A Group Health Cooperative Plan
 3. HMO (in the Group Health service area only) - A Group Health Cooperative Plan
 4. Over age 65 Medicare-Coordinating coverage is secondary to Medicare A and B.

PAYMENT OF ELECTED INSURANCE COVERAGES

If you elect a *monthly annuity pension benefit*, medical and life insurance premiums will be automatically deducted from the monthly pension check.

If a *lump sum pension is elected*, you will be billed for insurance contributions. You will be notified as to the amount and address to which the insurance premiums are to be mailed.

If you elect to *defer your pension benefit*, you will be billed for insurance contributions. You will be notified as to the amount and address to which the insurance premiums are to be mailed.