



November 2016

**Re: Con Edison Retiree Health Program Open Enrollment for 2017**

Dear Retiree:

Open enrollment for 2017 health-care benefits available to you under the Con Edison Retiree Health Program (Program) will begin Wednesday, November 16 and end on Wednesday, November 30. Please review the enclosed package carefully to see which options work best for you and follow the instructions below if you wish to make any health-care benefit changes for 2017.

**Important Information for 2017**

Thanks to the continuing efforts that retirees have put forth in being better health care consumers over the last few years, we have been able to offer the same medical and prescription drug plan deductibles, copayments, and annual out-of-pocket maximums under the Cigna plan for 2017. In addition, the Company will maintain the same monthly contribution for the fourth consecutive year for those Medicare-eligible retirees enrolled with Cigna. However, medical costs for non-Medicare-eligible retirees have increased above general inflation, and their monthly contributions will see modest increases.

For those retirees enrolled in the Emblem Health (HIP) HMO plan, medical and prescription drug copays for Medicare-eligible retirees will increase in 2017.

For information regarding plan benefits, please refer to the **Summary of Highlights**, available on Con Edison's Retiree website at [www.coned.com/retirees](http://www.coned.com/retirees).

Enclosed is the **2017 Schedule of Monthly Retiree Contributions**, detailing contribution amounts for the various plans offered.

## **2017 Open Enrollment**

If you wish to change your retiree health-care coverage (i.e. from an HMO/Managed Choice plan to Cigna or vice versa), please call the HR Service Center at 1-800-582-5056 and request a **Con Edison Retiree Health Benefits Enrollment/Change Form** and **Medicare Form** if you are on Medicare. Please note, if you are currently enrolled in HMO United Healthcare (Secure Horizons/Oxford), you can continue your coverage under this plan. However, this plan is not open to new enrollees.

***To modify your coverage, send your completed form to the HR Service Center (Con Edison, 4 Irving Place, 15<sup>th</sup> Floor, New York, NY 10003) no later than November 30, 2016.***

## **What You Can Do to Help Keep Program Costs Down**

You can continue to be effective health-care service consumers by following some of these suggestions:

- If you are not yet eligible for Medicare or if enrolled in Cigna plan, use medical providers who participate in the Cigna network; it cost less to use in-network providers.
- Ask for generic drugs and use the mail-order prescription service whenever possible.
- Prescription drug costs depend on where you fill your prescription. Enclosed is a guide with some facts and tips on how to get the most value from the prescription drug program if enrolled in CVS Health/SilverScript. In general, you will pay less for:
  - Generic versus brand-name prescription drugs;
  - Maintenance medications (90-day supply) supplied through the mail-order service program and sent to your home or pick-up at a CVS Health pharmacy; and
  - Prescription drugs you receive through a retail pharmacy in the CVS Health network or SilverScript network pharmacies for Medicare-eligible participants

## **Increase Your Savings on Select CVS Health Brand Items**

If you are enrolled in CVS Health, prescription drug coverage provides you with a CVS Health ExtraCare Health card. You can use this card to receive discounts of up to 20% on select over-the-counter CVS Health brand items, such as ibuprofen, nasal decongestants, and more. If you are enrolled and do not have a card, call CVS Health that 1-800-601-6364 to request one.

## **Health Care for Medicare-Eligible Participants**

If you or your covered dependents become eligible for Medicare at 65 or earlier, Medicare becomes your primary health-care provider and the Con Edison Retiree Health Program becomes secondary.

Once you or your covered dependents become Medicare eligible at age 65 or earlier, contact Medicare to obtain a Medicare card (reflecting Part A and B coverage) and provide a copy of that Medicare card to the HR Service Center, either by mail (Con Edison, 4 Irving Place, 15<sup>th</sup> Floor, New York, NY 10003) or by fax (1-646-654-2638).

### **Prescription Drug Plan for Medicare-Eligible Participants**

The Con Edison Retiree Health Prescription Drug Plan (Plan) coordinates with a Medicare Part D prescription drug program. Retirees/dependents who are enrolled in CVS Health and are eligible for Medicare at age 65 or earlier will have their coverage administered by the Medicare Part D prescription drug plan provider, SilverScript insurance company, an affiliate of CVS Health. The Plan administered by SilverScript provides the same prescription drug benefits to Medicare-eligible participants as the Plan administered by CVS Health for non-Medicare-eligible participants. In addition to using the SilverScript pharmacy network, Medicare-eligible participants can obtain prescriptions at any CVS Health retail or mail-order pharmacy.

Enclosed for your reference is a facts/tips sheet on the drug program for Medicare-eligible participants administered by SilverScript.

If you are enrolled in an HMO or Managed Choice plan, please note that prescription drug coverage is available through your HMO/Managed Choice provider. Once you or your spouse becomes Medicare eligible, Medicare part D becomes your primary.

### **Health Insurance Marketplace Alternative for Retirees Not Eligible for Medicare**

U.S. citizens and legal residents are required to have qualified health-care coverage. If you and/or your dependents are not eligible for Medicare and are not covered under a qualified health-care plan, you may be required to pay a tax penalty for each year you are not covered.

In 2017, you can choose to either obtain qualified health-care coverage through Con Edison's Retiree Health Program, your spouse's employer plan (if available), or the Health Insurance Marketplace created as part of health-care reform.

If you or your dependents are not eligible for Medicare, we encourage you to explore and research all health-care coverage opportunities available to you. This will enable you to make an informed decision when choosing health insurance coverage that best meets your family's needs and budget. Regardless of which you state you live in, you'll be able to compare your health insurance options in the Health Insurance Marketplace by visiting its website at [www.HealthCare.gov](http://www.HealthCare.gov).

To change your retiree health-care coverage from the Con Edison Retiree Health Program to a program offered through the Health Insurance Marketplace or elsewhere, call the HR Service Center at 1-800-582-5056 and request that your Con Edison coverage be discontinued as of January 1, 2017. You may also access the **Retiree Health Benefits Enrollment/Change Form** on Con Edison's retiree website by visiting [www.coned.com/retirees/benefits\\_forms.asp](http://www.coned.com/retirees/benefits_forms.asp).

**Important Reminder: If you (or your spouse) choose not to participate in the Con Edison Retiree Health Program in 2017, you (or your spouse) will not be eligible to participate in the Program in the future unless, during the interim period, you (or your spouse) are covered under another employer's group health plan (not an individual policy) either through another insurance provider, or at a minimum, a platinum level plan purchased in the Health Insurance Marketplace.**

**Coverage Provided for Reconstructive Surgery Following Mastectomy**

The Women's Health and Cancer Rights Act of 1998, a federal law, requires group health-care plans to provide coverage for reconstructive surgery and prostheses following mastectomies and to notify covered participants each year of available benefits.

Under the Program, benefits for a medically necessary mastectomy include:

- Reconstruction of the breast on which the mastectomy has been performed,
- Surgery and reconstruction of the other breast to produce a symmetrical appearance, and
- Treatment for physical complications during any state of a mastectomy, including lymphedemas.

This coverage must be provided in consultation with the attending physician and the patient and is subject to the same annual deductibles and coinsurance provisions applicable to the mastectomy.

If you have any questions about coverage for mastectomies and reconstructive surgery or other covered benefits, call Cigna at 1-800-244-6224 or contact your HMO/Managed Choice provider. For Aetna call 1-800-307-4830, for Emblem Health (HIP) call 1-800-447-8255, and for United Healthcare (Secure Horizons/Oxford) call 1-800-457-8506. For all other questions, please call the HR Service Center at 1-800-582-5056.

Sincerely,



Hector, J. Reyes  
Director, Employee Benefits

Enclosures

*This letter serves as a summary of material modifications (SMM) and notice of terms to participants as required by federal law. The changes described are also subject to any plan documents, including contracts between Con Edison and the firms that insure and/or administer the plans. In the event of any conflict between this message and any plan documents, the plan documents will prevail.*

*The information in this letter does not alter the Company's right to change or terminate the Program at any time due to changes in laws governing employee benefit plans, the requirements of the Internal Revenue Code, Employee Retirement Income Security Act or for any other reason.*

## Schedule Of Monthly Retiree Contributions Effective January 1, 2017

<b>RETIREES WITH PENSIONS GREATER THAN \$1,000 PER MONTH</b>		
<u>Hospital/Medical (Cigna)</u>	<u>Retiree or Surviving Spouse</u>	<u>Spouse, Same-Sex Domestic Partner and/or Other Dependents</u>
<i>If you retired AFTER May 31, 1988:</i>		
Medicare Eligible	\$42	\$64
Non-Medicare Eligible	\$198	\$295
<i>If you retired BEFORE June 1, 1988:</i>		
Medicare eligible	\$42	\$64
Non-Medicare eligible	\$183	\$251
<u>HMO/Managed Choice</u>	<u>Retiree or Surviving Spouse</u>	<u>Spouse, Same-Sex Domestic Partner and/or Other Dependents</u>
<i>If you retired AFTER May 31, 1988:</i>		
<u>Medicare Eligible</u>		
Aetna	\$109	\$109
Emblem Health (HIP)	\$109	\$109
United Healthcare (Secure Horizons/Oxford)*	\$109	\$109
<u>Non-Medicare Eligible</u>		
Aetna Managed Choice	\$795	\$826
Emblem Health (HIP)	\$260	\$294
United Healthcare (Secure Horizons/Oxford)*	N/A	N/A
<i>If you retired BEFORE June 1, 1988:</i>		
<u>Medicare Eligible</u>		
Aetna	\$109	\$109
Emblem Health (HIP)	\$109	\$109
United Healthcare (Secure Horizons/Oxford)*	\$109	\$109
<u>Non-Medicare Eligible</u>		
Aetna	\$774	\$794
Emblem Health (HIP)	\$235	\$257
United Healthcare (Secure Horizons/Oxford)*	N/A	N/A
<u>Prescription Drugs (CVS Caremark)</u>	<u>Retiree or Surviving Spouse</u>	<u>Spouse, Same-Sex Domestic Partner and/or Other Dependents</u>
	\$80	\$80

\* United Healthcare (Secure Horizons/Oxford) not available for new enrollees

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## Schedule Of Monthly Retiree Contributions Effective January 1, 2017

<b>RETIREEES WITH PENSIONS OF \$1,000 OR LESS PER MONTH</b>		
<u>Hospital/Medical (Cigna)</u>	<u>Retiree or Surviving Spouse</u>	<u>Spouse, Same-Sex Domestic Partner and/or Other Dependents</u>
<i>If you retired AFTER May 31, 1988:</i>		
Medicare Eligible	\$32	\$40
Non-Medicare Eligible	\$183	\$251
<i>If you retired BEFORE June 1, 1988:</i>		
Medicare Eligible	\$32	\$40
Non-Medicare Eligible	\$165	\$241
<u>HMO/Managed Choice</u>	<u>Retiree or Surviving Spouse</u>	<u>Spouse, Same-Sex Domestic Partner and/or Other Dependents</u>
<i>If you retired AFTER May 31, 1988:</i>		
<u>Medicare Eligible</u>		
Aetna	\$94	\$94
Emblem Health (HIP)	\$94	\$94
United Healthcare (Secure Horizons/Oxford)*	\$94	\$94
<u>Non-Medicare Eligible</u>		
Aetna	\$277	\$366
Emblem Health (HIP)	\$154	\$188
United Healthcare (Secure Horizons/Oxford)*	N/A	N/A
<i>If you retired BEFORE June 1, 1988:</i>		
<u>Medicare Eligible</u>		
Aetna	\$94	\$94
Emblem Health (HIP)	\$94	\$94
United Healthcare (Secure Horizons/Oxford)*	\$94	\$90
<u>Non-Medicare Eligible</u>		
Aetna	\$277	\$366
Emblem Health (HIP)	\$154	\$188
United Healthcare (Secure Horizons/Oxford)*	N/A	N/A
<u>Prescription Drugs (CVS Caremark)</u>	<u>Retiree or Surviving Spouse</u>	<u>Spouse, Same-Sex Domestic Partner and/or Other Dependents</u>
	\$59	\$59

\* United Healthcare (Secure Horizons/Oxford) not available for new enrollees