



November 2017

Re: Con Edison Retiree Health Program Open Enrollment for 2018

Dear Retiree:

Open enrollment for 2018 health-care benefits available to you under the Con Edison Retiree Health Program (Program) will run through Wednesday, December 6, 2017. Please review the enclosed material carefully and follow the instructions below if you wish to make any health-care benefit changes for 2018.

Important Changes for 2018

While there have not been any deductible, copayment or annual out-of-pocket changes to the Cigna medical or CVS Health prescription plans since 2013, rising medical costs above general inflation, will require higher contributions by the Company and retirees to pay for Program costs in 2018. The enclosed Schedule of Monthly Retiree Contributions, details the monthly payroll deductions for retirees enrolled in the Program.

There will be additional deductible and copayment changes for Non-Medicare eligible retirees enrolled in the Aetna Managed Choice and Emblem Health HMO Plans as noted below.

Aetna (Non-Medicare Eligible)

The annual medical deductible will increase as follows:

Coverage Type	2017	2018
Individual	\$300	\$500
Family	\$900	\$1,500

Emblem Health (Non-Medicare Eligible)

There will be copay increases as follows:

Visit Type	2017	2018
Primary Care Physician	\$5	\$10
Specialist	\$5	\$10
Inpatient Hospital Services	No copay	\$100
Prescription Copay	\$5	\$10

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

Vision Plan Improvements for 2018

Effective 01/01/2018, vision care benefits will be improved at no additional cost to you. The plan will also include new optional services, at fixed copayment amounts. Enclosed is a vision plan memo detailing the plan improvements.

2018 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 that HMO United Healthcare (Secure Horizons/Oxford) is not open to new participants, but remains open to current enrollees.

To modify your coverage, send your completed form to the HR Service Center (Con Edison, 4 Irving Place, 15th Floor, New York, NY 10003) no later than December 6, 2017.

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 and enrolled in the 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
- Preventive medical services can help identify and treat medical issues early on before they become a bigger issue; not only do preventive services help you to maintain your health, but may also help to avoid potential long term costs to you and/or the Company. Preventive services, include immunizations, screenings for cholesterol, blood sugar, blood pressure and wellness exams (based on age-related frequency limits) at no cost if done at either Affiliated Physicians or at a Cigna in-network provider.

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 at 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, 15th 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.

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

In 2018, you can choose to 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-care 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-care options in the Health Insurance Marketplace by visiting their website at 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 December 31, 2017. You may also access the Retiree Health Benefits Enrollment/Change Form on Con Edison's retiree website by visiting https://www.coned.com/ceretirees/benefits_forms.asp

Important Reminder: If you (or your spouse) choose not to participate in the Con Edison Retiree Health Program in 2018, 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 your health care provider at the following numbers:

Cigna: 1-800-244-6224

Aetna: 1-800-307-4830

Emblem Health (HIP): 1-800-447-8255

United Healthcare (Secure Horizons/Oxford): 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, 2018

RETIREEES WITH FINAL AVERAGE OR CAREER AVERAGE PENSIONS GREATER THAN \$1,000 PER MONTH		
<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	\$46	\$71
Non-Medicare Eligible	\$218	\$325
<i>If you retired BEFORE June 1, 1988:</i>		
Medicare eligible	\$46	\$71
Non-Medicare eligible	\$201	\$276
<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)	\$286	\$323
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)	\$259	\$283
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>
	\$88	\$88

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

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Schedule Of Monthly Retiree Contributions Effective January 1, 2018

RETIREEES WITH FINAL AVERAGE OR CAREER AVERAGE PAY PENSIONS OF \$1,000 OR LESS PER MONTH		
<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	\$35	\$44
Non-Medicare Eligible	\$201	\$276
<i>If you retired BEFORE June 1, 1988:</i>		
Medicare Eligible	\$35	\$44
Non-Medicare Eligible	\$182	\$265
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<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	\$305	\$403
Emblem Health (HIP)	\$169	\$207
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	\$305	\$403
Emblem Health (HIP)	\$169	\$207
United Healthcare (Secure Horizons/Oxford)*	N/A	N/A
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<u>Prescription Drugs (CVS Caremark)</u>	<u>Retiree or Surviving Spouse</u>	<u>Spouse, Same-Sex Domestic Partner and/or Other Dependents</u>
	\$65	\$65

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